

# Local government policy update

Item 6

Meeting date:  
15 May 2025

Policy Manager to the Commission

## 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:

- [Best Value: Argyll and Bute Council](#) (3 April 2025)
  - *Broadcast:* BBC Reporting Scotland and Good Morning Scotland (including interview).
  - *Online:* Local newspapers, Scottish Housing News, FutureScot.
  - *Downloads:* 420 in the first 4 weeks (*similar to Fife*).
  - *Social media:* 1,300 views, 140 video views, 50 engagements, 15 link clicks. Shared by media but almost no engagement.
- [Best Value: Highland Council](#) (24 April 2025)
  - *Broadcast:* BBC Reporting Scotland, STV News (inc. evening bulletin), local radio including interview for Moray Firth Radio.
  - *Online:* BBC, STV, local newspapers, Scottish Housing News.
  - *Downloads:* 300 in the first week (*also similar to Fife*).
  - *Social media:* 850 views, 110 video views, 65 engagements, 30 link clicks. Shared by media but almost no engagement.

4. The latest quarterly analysis of report downloads, covering the period between April 2024 and March 2025, is provided in the Appendix.

## Media and Parliamentary monitoring

5. Recent references to the Accounts Commission and its reports include the following:

- Health and Social Care Scotland (HSCS) – the representative body for Integration Joint Boards (IJBs) – cited the IJB Finance and Performance 2024 report in warning that [social care is on the verge of a “total meltdown”](#). HSCS says its analysis shows a £560 million financial gap for 2025/26, in line with the Commission’s warning of a worsening financial position. In a [follow-up opinion article](#), Labour MSP Jackie Baillie referred to the almost £500 million gap projected in the IJBs Finance Bulletin 2023/24.
- In [Finance and Local Government Questions on 30 April](#), Jackie Baillie asked what discussions have been had about “a different model for allocating funding” to IJBs, in light of the Commission’s recent report. Public Finance Minister Ivan McKee pointed out the current model is as set out in legislation and cannot currently be changed. In response to a follow-up question from Patrick Harvie, Mr McKee outlined ongoing engagement between the Scottish Government and the social care sector.
- The Local Government Information Unit (LGIU) published a [detailed briefing on council recruitment challenges](#). The briefing featured a number of examples taken from individual councils’ best value thematic reviews on workforce innovation (though the Commission was not specifically mentioned), alongside findings from the Improvement Service’s [Local Government Workforce Report 2024](#).
- The Commission was mentioned during a Renfrewshire Council committee meeting as the authority decided [it will not pursue a shared services proposal](#) with neighbouring Inverclyde and West Dunbartonshire councils. The plans related to sharing internal audit and counter-fraud teams, but the council said it was too complex and therefore would ‘not offer value for money at this stage’. In discussion with councillors, the director of finance acknowledged the Commission’s desire for councils to be more open to the potential for shared services.

## Local and Scottish government finance issues

6. The Herald reported that councils in Scotland face a [combined bill of more than £544 million in 2025/26](#) in repayments on private finance initiative (PFI) contracts. The contracts, for the building, refurbishing or maintaining of public buildings and often lasting up to 30 years, ceased to be entered into several years ago. However, those which are in place are expected to cost the Scottish public sector as a whole around £1.1 billion this year, with around £13 billion still to be paid in the coming years.

**7.** The Scottish Fiscal Commission (SFC) published its latest [Fiscal Sustainability Report](#), projecting spending and funding up to 2074/75, with a focus on health and social care spending. Key points include:

- Scottish devolved public spending will exceed funding by 1.2 per cent on average over the projected period – and the gap could grow to as much as 11 per cent depending on UK Government decisions.
- Health and social care spending will rise from around 40 per cent to almost 55 per cent of devolved public spending by 2075.
- An ageing population will be a main driver of this growth, and this trend will happen earlier in Scotland than in the rest of the UK, so spending will grow faster than the associated Barnett funding.
- The SFC says “improving the underlying health of Scotland’s population would lead to benefits to the public finances through lower spending and higher tax revenues and help to address the long-term fiscal sustainability challenges.”

**8.** The Press and Journal reported on [differing views in Shetland and the Western Isles](#) about the prospect of a ‘single authority model’. Shetland chief executive Maggie Sandison says it is “not something the council wants to take forward at this time” and there are risks to the council of it being applied too widely as “the only strand” of public sector reform, or of knock-on effects from elsewhere. In contrast, Comhairle nan Eilean Siar has previously highlighted potential benefits in terms of sustaining public services and boosting the islands’ population and economy.

**9.** Among a number of amendments to the Housing (Scotland) Bill, the Scottish Greens have tabled [a proposal requiring a council tax revaluation by early 2029](#) – the first in over thirty years. The Greens criticised a lack of “courage” to make changes they say “everyone has agreed for years”. Shona Robison has said she would be keen on creating new bands at the higher end of the scale, and would welcome steps that are “pragmatic, practical and with consensus”, which would be “better than nothing”.

## Policy area updates

**10.** First Minister John Swinney announced the Scottish Government’s Programme for Government 2025/26 on 6 May (after this report was produced). The annual legislative programme is usually unveiled in September but was moved forward this year to allow more time before next year’s Scottish Parliament election. Mr Swinney pledged “meaningful solutions to concerns” including about child poverty and the NHS. Any implications for local government will be covered in next month’s report.

## Climate change

**11.** The Scottish Government has confirmed [it is dropping its target to reduce car use in Scotland by 20% by 2030](#). After the Commission and

Auditor General’s joint report on sustainable transport highlighted a lack of leadership or a clear delivery plan, Transport Secretary Fiona Hyslop told the Public Audit Committee that the goal would not be delivered, and that it was “not realistic and will need to be changed”.

**12.** City of Edinburgh Council’s transport convener has said [congestion charging should be “on the table for discussion”](#) as part of efforts to reduce traffic in the city by 30% by 2030 – despite the Scottish Government’s decision to drop its target. Officers advised the council does not have the powers and that the Scottish Government would need to take the lead.

**13.** The Government also announced revised plans for decarbonising heating systems. The Heat in Buildings Bill will be amended, setting targets but removing the previously-planned legal requirement for property owners to replace heating systems by 2045. Ministers say they want to shift from penalising individuals to committing to collective action, but opponents criticised a lack of clarity on actions or funding, while housing associations warned [costs have been “vastly underestimated”](#).

## Culture and leisure

**14.** Scottish Borders Council is to consult residents over [recommendations to close a number of swimming pools and libraries](#). Last year, the council took back control of some services from its arms-length culture and leisure trust, Live Borders. A consultant’s report on the sustainability of these operations suggested dozens of sites should be shut or consolidated with other services. The council says maintaining all facilities is not viable.

## Early learning and childcare

**15.** Two councils have faced criticism of a lack of engagement regarding decisions to close rural nurseries due to low numbers:

**15.1.** Aberdeenshire Council [informed parents of its plans to mothball four nurseries from August](#), at the start of the Easter holidays. The council says the decision was made as part of a savings plan identified in the 2025/26 budget.

**15.2.** Scottish Borders Council [initially voted to take forward plans to mothball six under-capacity rural nurseries](#), subject to consultation. However, the council met again last week to [consider allowing the nurseries to stay open](#) for the next academic year, after protests and [criticism from parents](#).

**16.** Meanwhile [East Renfrewshire Council has reversed a change to its policy](#) relating to provision of 1,140 hours of early learning and childcare. The council had moved from providing the free care from the month after the child’s third birthday, to doing so from the start of the next term, to save money and align with government guidance. However, it will now revert to the previous policy following protests from parents.

## Education

**17.** The SSTA teaching union has called on the inspectorate to [ensure schools have appropriately qualified teachers](#), warning that boundaries are being blurred in order to fill vacancies and cover lessons. It says primary teachers are increasingly filling gaps in secondary schools, due to staff shortages, with maths one of the worst-affected subjects.

**18.** Analysis by Scottish Labour of General Teaching Council for Scotland data showed [the number of teachers leaving the profession rose by a third](#) between 2021/22 and 2024/25 – with a two-thirds increase among those aged 55 or under. Meanwhile new figures have showed a [large shortfall in student teacher numbers](#), with only around 1,300 people studying to become secondary teachers in 2024/25 against a target of 2,300.

## Health and social care

**19.** Frontline staff at Enable, one of Scotland’s largest health and social care charities, have [voted in favour of strike action over pay](#). The industrial action by Unison members – said to be the first in a decade at a social care charity – prompted the organisation to [call for more funding from the Scottish Government](#) to improve pay and conditions in the sector.

**20.** East Renfrewshire Council leader Owen O’Donnell has suggested the council’s decision to delay introducing non-residential care charges was partly based on seeking [clarity from the Scottish Government about its policy to remove the charges](#). The Government has since said only that it is working to reduce the impact of charges. East Renfrewshire IJB says its critical financial position means it has no choice but to introduce charging, in line with all other IJBs in the NHS Greater Glasgow and Clyde area.

## Housing and homelessness

**21.** Aberdeenshire Council is consulting on [proposals to close up to 17 of its 56 sheltered housing complexes](#), in light of a decline in demand with more older people choosing to remain in their own home with support. The service is funded solely by tenants, and is projected to make a £135 million loss over the next 30 years. The council says any closures would be phased and tailored to meet individual needs.

**22.** City of Edinburgh Council has introduced emergency measures, [suspending its normal housing allocation policy](#), in a bid to tackle the homelessness crisis. All available council housing will now be redirected to those experiencing homelessness until at least mid-June, with new council lets otherwise suspended, as the council struggles to meet demand and fulfil its statutory obligations to provide accommodation.

**23.** Glasgow City Council reported that [just over 1,000 new affordable homes were completed](#) in the city during 2024/25 as part of its Affordable Housing Supply Programme – exceeding its target for the year. Targets for approvals and starts were slightly missed, which the council said was due to delays as a result of a budget reduction.

## Council leadership changes

**24.** There was a change of leadership at Angus Council in April, after a motion of no confidence in the SNP administration was passed by a single vote. The motion was put forward by George Meechan, who had resigned as deputy leader and left the SNP group shortly beforehand, citing difficult working relationships within the ruling group. The council is now governed by a cross-party coalition, with Cllr Meechan as council leader.

**25.** The leader of South Ayrshire Council, Martin Dowey, resigned on 1 May, days after the release of a secret recording in which he was highly critical of council officers and appeared to suggest he can help award contracts to friends. Council Provost, Iain Campbell, resigned during a council meeting that same day, where councillors had voted to remove deputy leader Bob Pollock from his position. Cllr Dowey maintains there has been no wrongdoing on his part.

**26.** Inverclyde Council has a new Chief Executive – Stuart Jamieson took up post on 5 May, replacing Louise Long who has become Chief Executive at NHS Lanarkshire. Mr Jamieson has worked for the council since 2000, most recently as director of environment and regeneration.

## Other updates

**27.** The Scottish Government published the [findings of its review of certain aspects of the Community Empowerment \(Scotland\) Act 2015](#). The review covered participation requests and community asset transfers, as well as the implementation of community planning. The review was partly aligned to the ongoing Local Governance Review, which is considering how powers, responsibilities and resources are shared across national and local spheres of government, and with communities.

**27.1.** Just over 100 participation requests had been made since 2017, almost all to local authorities, but annual numbers declined from 26 in 2018/19 to just 5 in 2023/24. About two thirds of requests have been successful. The review found limited awareness and mixed understanding of the requests and their purpose, and whereas public bodies see low numbers of requests as a signal that existing engagement is effective, community bodies think requests are under-used and have had limited impact.

**27.2.** It has not been possible to collate robust numbers on asset transfers due to gaps, variations and complications in how data is recorded, but the number of groups who own assets has grown significantly from 86 in 2000 to 533 in 2023, owning 2.7% of Scotland's land mass. The review found that the legislative framework provides welcome consistency and structure but the process is seen as complex to navigate – which particularly affects disadvantaged or smaller community bodies.

**28.** The convener of the Local Government, Housing and Planning Committee wrote to Shona Robison with a [summary of the Committee's findings and recommendations from its inquiry into council tax](#). The committee calls for a revaluation early in the next Parliamentary session and a statutory requirement for further revaluations at regular intervals, with various recommendations for mitigating impacts on certain groups.

**29.** The convener of the Public Audit Committee (PAC) wrote to the conveners of other relevant committees to outline its [scrutiny of the joint performance audit report on alcohol and drug services](#). The letter echoes a number of the report's findings and recommendations, highlights ongoing challenges in relation to data sharing, funding, leadership and prevention, and emphasises "the urgent need to address this crisis".

**30.** Recent publications of relevance and interest are listed below:

- LGIU: [Future challenges to local government funding - Doing less with less](#) (opinion briefing by Martin Booth)
- LGIU: [Delayed discharges: Costs for local communities and lessons from overseas](#)
- LGIU: [How could a visitor levy benefit councils in Scotland?](#)
- LGIU: [Demographic change in the UK – what could it mean for local government?](#)
- Fraser of Allander: [A look ahead to the Programme for Government](#)
- SPICe: [Affordable Housing Supply Programme](#) (detailed briefing)
- Improvement Service (IS): [How to map a 20-Minute Neighbourhood – New technical guidance published](#)
- IS: [National planning customer and stakeholder survey published](#)

## Consultations

**31.** Members have already been advised on the [UK Government's response regarding local audit reform in England](#), following its recent consultation. Paul O'Brien provided a [briefing on the response](#) to members via email on 1 May, highlighting the aspects of most relevance to Scotland.

**32.** The Scottish Government has published the [responses to its consultation on a local authority general power of competence](#) (including those from the Accounts Commission and from Audit Scotland). The Government says the responses will be collated and used to inform the development of proposals to deliver greater local authority functional empowerment, and a formal response will be published in due course, setting out the conclusions drawn and proposed next steps.

**33.** There are no other updates regarding consultations. The Policy Manager will advise verbally of any changes.

## Appendix: Quarterly publication statistics, April 2024 to March 2025

The tables below show the number of downloads or views of Commission outputs in the last 12 months. The first table covers Scotland-wide publications; the second table covers council-specific reports.

Scotland-wide publication	Date	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	TOTAL
IJB finance bulletin 2023/24 (report)	06 Mar				764	764
IJB finance bulletin 2023/24 (web)	06 Mar				851	851
Additional support for learning	27 Feb				3,735	3,735
Housing benefit overpayments	20 Feb				214	214
Sustainable transport (report)	30 Jan				1,602	1,602
Sustainable transport (web)	30 Jan				2,372	2,372
Local gov. financial bulletin 2023/24	28 Jan				1,375	1,375
Alcohol and drug services	31 Oct			2,281	1,418	3,699
Transformation in councils	01 Oct			2,444	765	3,209
Tackling digital exclusion	22 Aug		1,248	1,232	1,052	3,532
Commission annual report 2023/24	08 Aug		304	104	131	539
IJB finance & performance 2024 (rpt.)	25 Jul		1,982	1,003	1,103	4,088
IJB finance & performance 2024 (web)	25 Jul		2,431	1,140	896	4,467
BV thematic report: Leadership	11 Jul		317	230	93	640
Local government budgets briefing	15 May	1,240	572	803	824	3,439

Council-specific publication	Date	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	TOTAL
Best Value: Fife Council	25 Feb				465	465
Best Value: East Renfrewshire Council	06 Feb				832	832
S102: Aberdeen City – C. Tax fraud	09 Jan				1,481	1,481
Best Value: Scottish Borders Council	28 Nov			560	294	854
Best Value: City of Edinburgh Council	24 Oct			647	372	1,019
Best Value: Clackmannanshire Council	27 Sep		149	278	150	577
S102: Renfrewshire – Dargavel update	20 Aug		323	102	64	489
Best Value: Falkirk Council	02 May	426	173	105	165	869



## Analysis

Almost all national reports have had large numbers of downloads. Joint performance audit reports tend to get continuing, consistent attention while they are scrutinised in Parliament, but the Additional support for learning briefing stands out for the number of downloads in a short space of time.

The IJBs report, Budgets briefing and last year's Financial bulletin all had increased attention during budget-setting. LGO reports and the IJB finance bulletin may not be read by as many people as performance audits, but we know they are highly valued by stakeholders and often cited in Parliament.

The Aberdeen report received a lot of attention, partly due to messaging about lessons for other councils', reflected in the Chair's letter to chief executives, which gave the report broader significance.

Most Best Value reports have also performed well, often due to prominent media coverage. All BV reports in this cycle continue to be downloaded at a consistent rate (150+ per quarter) long after being published, which suggests they are a regular point of reference for some.

## Easy-read reports and blogs

Performance audits and briefings have easy-read versions published alongside the main report, to help ensure key messages and audit findings are accessible to and seen by a wider audience.

Early monthly downloads of easy-read reports are as follows:

- Support for learning (*27 Feb*): 621 in February, 832 in March.
- Sustainable transport (*30 Jan*): 72 in January, 59 in February.
- Drug and alcohol services (*31 Oct*): 215 by end of November.
- Digital exclusion (*22 Aug*): 299 in August, 226 in September.

These numbers show a good level of impact in reaching those audiences that benefit from this kind of output.

We have also published a number of blogs recently, including alongside reports to emphasise key messages and deliver them in a different format.

Early monthly pageviews of recent blogs are as follows:

- Council Tax (*28 Mar*): 260 in March, 274 in April.
- IJB finances (*6 Mar*): 505 in March.
- Financial bulletin (*28 Jan*): 143 in January, 103 in February.
- AC role in reform (*17 Oct*): 201 in October.
- Benchmarking (*1 Aug*): 381 in August.
- Role of a CFO (*16 Jul*): 242 in July.
- Leadership BV thematic (*11 Jul*): 325 in July.