

Agenda

Thursday 11 September 2025 10.00am

Audit Scotland office, 102 West Port, Edinburgh
and online via Microsoft Teams
524th meeting of the Accounts Commission

Public session

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|--|-----------------------------|-------|
| 1. Apologies for absence | Chair | 10:00 |
| 2. Declaration of connections | | |
| 3. Order of business
The Chair seeks approval of business including taking items 8 to 15 in private for the reasons set out on the agenda. | | |
| 4. Minutes and matters arising from previous meeting | Director for the Commission | 10:05 |
| 5. Local government policy update | Policy Manager | 10:10 |
| 6. Chair's update | Chair | 10:15 |
| 7. Any other public business
The Chair will advise if there is any other public business to be considered by the Commission. | Chair | 10:25 |

Private session

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|---|---------------------------------|-------|
| 8. Controller of Audit's update
[Item to be in private as it requires the Commission to consider confidential policy matters.] | Controller of Audit | 10:30 |
| 9. Local government performance: Spotlight on culture and leisure services – draft report
[Item to be in private as it requires the Commission to consider a draft of a forthcoming publication.] | Executive Director of PABV | 10:40 |
| 10. Community health and social care: Performance 2025 – draft output
[Item to be in private as it requires the Commission to consider a draft of a forthcoming publication.] | Executive Director of PABV | 11:10 |
| Break | | 11:40 |
| 11. Guidance on planning 2025/26 annual audits
[Item to be in private as it requires the Commission to consider confidential policy matters.] | Director of Quality and Support | 11:55 |

12. Commission engagement framework [Item to be in private as it requires the Commission to consider confidential policy matters.]	Director for the Commission	12:20
13. Support for Committee appearances – training proposal [Item to be in private as it requires the Commission to consider confidential policy matters.]	Director for the Commission	12:50
14. Chief Operating Officer update [Item to be in private as it requires the Commission to consider confidential policy matters.]	Chief Operating Officer	13:05
15. Any other private business The Chair will advise if there is any other private business to be considered by the Commission.	Chair	13:15

Close of meeting and lunch	13:15
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Member's forum with Angela Scott and Lesley Brown – sponsor and project director, Solace / Improvement Service Crerar implementation project, and Alastair Delaney, Consultant	14:00
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Minutes

Thursday 14 August 2025 10.00am

Online via Microsoft Teams

523rd meeting of the Accounts Commission

Present: (online unless stated)

Jo Armstrong (Chair) (*in person*)
 Malcolm Bell
 Andrew Burns (*in person*)
 Andrew Cowie
 Carol Evans
 Jennifer Henderson
 Angela Leitch
 Ruth MacLeod
 Mike Neilson
 Derek Yule

In attendance: (online unless stated)

Sarah Watters – Director for the Accounts Commission (*in person*)
 Helena Gray – Controller of Audit
 Alison Cumming – Executive Director of Performance Audit and Best Value (PABV)
 Vicki Bibby – Chief Operating Officer
 Joe Chapman – Policy Manager (*in person*)
 Stephen Reid – Partner, EY (items 5 & 10)
 Rachel Wynne – Senior Audit Manager, EY (items 5 & 10)
 Simon Ebbett – Head of Communications (item 11)
 Mark MacPherson – Audit Director, PABV (item 12)
 Jillian Matthew – Senior Manager, PABV (item 12)
 Claire Tennyson – Audit Manager, PABV (item 12)
 Lorna Munro – Senior Auditor, PABV (item 12)
 Jessica Pringle – Audit Officer, PABV (item 12)
 Gemma Diamond – Director of Innovation and Transformation (item 13)
 Michelle Borland – Head of Organisational Improvement (item 13)

1. Apologies for absence

Apologies were received from Christine Lester and Nichola Brown.

2. Declarations of connections

Jo Armstrong declared the following connections in relation to the s102 report on Glasgow City Council (items 5 and 10):

- A connection to the council via the City Building joint venture via her position as Chair of the Wheatley Group.
- A connection with the former Chief Executive, who succeeded Jo as Chair of Hub West Scotland in January 2025.

It was agreed that Jo recuse herself from discussion, decision making, and any related media and that Andrew Burns chair items 5 and 10 in his capacity as deputy chair instead.

Angela Leitch also declared a connection in relation to the Glasgow City Council report, through a close personal connection with the former Chief Executive. It was agreed that Angela recuse herself from items 5 and 10.

Derek Yule and Sarah Watters both declared a connection to the Glasgow report, citing connections to the former Executive Director of Finance through previous roles. Neither connection was considered material to the discussion in relation to the s102 report.

3. Order of business

It was agreed that items 9 to 16 would be considered in private, for the reasons stated on the agenda.

4. Minutes and matters arising from previous meetings

The minutes of June's meeting were agreed as an accurate reflection of the discussion, and the minutes were approved as final.

Sarah Watters provided the following updates on actions arising:

- One action outstanding - related to audit delivery and escalation procedures which will be covered in items 9 and 14 today
- Three actions now complete - inviting Professor Sengupta to a members' forum; incorporating the Commission's comments into its consultation document which closes 15th August; and including public sector benchmarking absence rates in the recently published workforce report

Jo Armstrong and Angela Leitch left the meeting

5. Section 102 report: Glasgow City Council

The Commission considered the Controller of Audit's Section 102 report on 'Senior officer exit packages' at Glasgow City Council, produced following the 2023/24 audit of the council.

The Commission explored the following themes with the Controller of Audit and Auditors:

- Restructure process, including:

- Bump redundancy rationale – based on succession planning and staff development but lack of clarity in the restructure paper. Limited comparable processes in the council. 2024/25 unaudited accounts show exit packages of £10.28 million
- Chief Executive departure – rationale on basis of efficiency unclear as role remains in place. Justification for link to previously deleted Executive Director role also unclear
- Head of Legal and Administration redundancy – individual changed role before departure in 2023, linked to bump redundancy process and included in restructure report.
- Financial impact, including:
 - Cost savings – projected £0.65m annually against £0.73m net cost of restructure, but unclear if and when these are fully realised as exits were phased over a three-year period
 - Pension repayment – chief executive chose to explore repayment with the pension fund on the basis of the Brodies report's conclusions regarding the approval of the exit package
- Member oversight:
 - Councillor knowledge and responsibility – unclear when elected members were informed of restructure proposals - subject of dispute as outlined by Brodies.
 - Scrutiny – Finance and Audit Scrutiny Committee provides a good degree of scrutiny overall and receives high-level reports on staff exits (detail subject to GDPR and confidentiality)
 - Improvement – Council has accepted recommendations from auditors and implemented changes to scheme of delegation; reporting on independent review in public shows commitment to improvement and transparency; scope for further training to enhance member oversight, especially on technical issues
- Brodies investigation:
 - Scope and terms were a matter for the Council and Brodies; findings from investigation considered sufficiently clear to identify lessons to be learned and improvement actions
- Best Value (BV) implications
 - Vision and Leadership – 'Red' rating in annual audit report reflecting governance and transparency failures in this matter, but an exception to overall BV audit findings.
 - BV Principles – key elements in place, leadership team is focused on embedding a refreshed culture to address some of the issues that arose in this case
- Nolan principles of public life
 - Adherence to principles – difficult to give a definitive view on whether there was a breach, but possible to perceive a breach, particularly of selflessness and objectivity principles, given lack of evidence of transparency, governance and scrutiny
 - Governance safeguards – lack of documented consideration of principles; Council taking steps to enhance awareness and understanding, including in relation to code of conduct and

consideration under scheme of delegation regarding consulting members on politically sensitive decisions

- Lessons to learn
 - Accountability – consequence of potential breach of code of conduct was out of Brodies' scope. Where rules are unclear, Nolan principles of public life should guide behaviour
 - Prevention and systematic change – need to consider how to disseminate the practical lessons outlined in the report, including in relation to decision-making processes, application of Nolan principles of public life, and ensuring appropriate scrutiny, training and monitoring;
 - Recordkeeping and burden of proof – poor documentation hinders assessment of governance and ethical compliance. Need for approvals to be formal and explicit, not implied

Following discussion, the Commission agreed to decide in private how it wishes to respond to the report.

Jo Armstrong and Angela Leitch returned to the meeting

6. Local government policy update

The Commission considered a report by Joe Chapman, Policy Manager for the Commission, providing an update on significant recent activity relating to local government. Joe highlighted the following items:

- Local Government, Housing and Planning Committee pre-budget scrutiny consultation – the Committee wrote to the chair with a range of questions related to transformation and service reform. Commission Support Team working with PABV colleagues to draft a response from the Commission, with approval delegated to Chair, Deputy Chair and the 2024 “Transformation in Councils” report sponsors, to be submitted by 29 August.

During discussion, the following points were raised:

- Teacher contact time – unclear whether benchmarking carried out against other UK nations regarding proposed reduction in time. Joe will follow up and report back in September on any updates regarding progress towards a reduction in contact time.

Action: Policy Manager for the Commission

- Two-year pay award for councils – understood that Scottish Government has not contributed funding, as the agreement was reached between COSLA and the unions without the need for Government involvement as was the case in recent years

Following discussion, the Commission noted the contents of the report.

7. Chair's update

The Commission considered an update by Jo Armstrong on recent and upcoming activity.

Jo highlighted the following:

- Attendance at COSLA Leaders meeting in June – constructive session covering key topics including: ringfenced funding, financial instability in English councils, climate change and coastal erosion, and the importance of sport and leisure services.
- Commission's current consultation – lots of engagement, triggering meaningful conversations with stakeholders including COSLA and Solace. Discussion with Solace highlighted some key points:
 - Recognition that Commission's work and reports are valued, and are read and used by councils
 - Desire for an indication of the Commission's priorities – in line with messaging around the need for councils to prioritise
 - Desire for the Commission to do more sharing of good practice, using audit evidence to support the sector
 - Stakeholders are keen to engage and it's important the Commission considers their views in identifying and shaping priorities

8. Any other public business

There being no further business, the Chair closed the public session.

9. Controller of Audit's update

The Commission considered an update by Helena Gray, Controller of Audit (CoA), on recent and upcoming activity, which included the following:

- Audit delivery update –
 - One council's unaudited accounts are delayed, and now expected to go to auditors on 20 September
 - Update on those councils which have had delayed audits, with revised completion timelines given.
- Scrutiny Coordination Group (SCG) met earlier this month, discussion included:
 - Lessons to learn from Local Area Network (LAN) feedback, including improved communication with Chief Executives of councils
 - Updates to LAN guidance for auditors, and timely sharing of meeting notes
 - Solace/Improvement Service "Crerar" project provided an early-stage update on work in relation to self-assessment and peer collaborative improvement
 - Shared strategic priorities across partner bodies in the coming years, including an update on the Commission's Work Programme consultation.
 - Strong desire from scrutiny partners to become more data-led. SCG will reconvene later in 2025 to explore this.

During discussion, a number of points were raised:

- Scrutiny Partner Engagement – interest in challenges around meaningful partner engagement and reporting strategic outcomes via CPPs. Helena to add to next SCG agenda

Action: Controller of Audit

- Councils are not fully sighted yet on the Commission's formal response process but the recent activity from the Controller of Audit is a strong basis on which to build
- Community Planning Partnerships (CPPs) – most bodies on CPPs are audited by the Auditor General for Scotland (AGS), further discussion with AGS required to explore cross-sector implications
- Audit delays – growing prevalence. Opportunity to flag issues earlier; CoA has increased reporting to the Commission
- Supporting audited bodies - Desire to ensure audits are prioritised. Audit Scotland's Chief Operating Officer has written to all audited bodies stressing timely unaudited accounts and quality working papers (letter shared with Commission). Audit Scotland is managing delivery risks
- Financial sustainability – ongoing discussions with SG and COSLA
- Improvement Service peer collaborative improvement work - findings and lessons in development, with a structured framework linking scrutiny bodies. Includes robust self-assessment; report due 26 March 2026
- Public service reform – Alison Cumming will be meeting Deputy Director of Public Sector Reform to discuss recently published strategy and plans

After discussion, the Commission noted the contents of the update.

Jo Armstrong and Angela Leitch left the meeting

10. Section 102 report: Glasgow City Council

The Commission considered its response to the Controller of Audit's s102 report on Glasgow City Council. Members agreed to issue findings in response to the report, which will be drafted by the Director and the Chair and circulated to members next week.

The Commission members discussed and agreed upon a number of points, which will be included within the findings in the published report. It was also agreed that a letter be sent to all councils, setting out expectations and learning points.

Jo Armstrong and Angela Leitch returned to the meeting

11. Commission Annual Review 2024/25 - final draft

The Commission considered a report by Sarah Watters, and Simon Ebbett, Head of Communications which asked for feedback on the final draft of the Annual Review 2024/25 and the proposed web format, which Simon presented to members.

During discussion, members:

- Welcomed the interactive and accessible format, offering minor suggestions to improve its look and feel
- Highlighted the need for factual accuracy regarding unqualified audit and the audit years in question
- Stressed their desire to continue to focus on delayed audits

Following discussion, the Commission:

- Noted that further work is being undertaken to develop and finalise the web content
- Agreed that the communications group oversees remaining work ahead of publication later in August.

12. Improving care experience: Delivering The Promise – draft report

The Commission considered a draft report by Alison Cumming, Executive Director of PABV and her team on the joint performance audit: 'Improving care experience: Delivering The Promise'. Alison thanked Angela and Andrew as sponsors, and the audit team for their work on a high-profile and complex piece of work.

During discussion, members:

- Commended the team on a well written report
- Highlighted learnings to share with other teams working on similarly large-scale and complex policy areas
- Stressed the need for robust programme management, including clear baselines, objectives and measurement of progress and outcomes
- Queried the achievability of the proposed timescales in relation to recommendations, and the impact of the forthcoming, parliamentary election
- Discussed 'Whole Family Wellbeing Fund' budget allocation to date, value for money and the need for clarity on future budgeting
- Discussed the lack of clarity about inter-relationships and prioritisation across policies

After discussion, the Commission:

- Approved the draft report, key messages and recommendations

- Agreed to delegate to the sponsors approval of any required final amendments resulting from the Commission's considerations
- Agreed the proposed publication arrangements.

13. Impact monitoring and evaluation report

The Commission considered the annual report presented by Gemma Diamond, Director of Innovation & Transformation, which sets out progress implementing our impact monitoring, evaluation and reporting framework across Audit Scotland's audit work for the Auditor General for Scotland (AGS) and the Accounts Commission.

During discussion, a number of points were raised, including:

- Members welcomed the report and the evidence of impact
- Slow pace of change – recognising that not all recommendations have deadlines, which may have contributed
- National bodies – challenges in following up recommendations, particularly with multi-agency involvement, importance of realistic timescales
- Supported use of annual audit reports to improve consistency and drive focus across local authorities
- Financial sustainability – Gemma to amend wording in the report relating to financial sustainability to reflect significant challenges, particularly across IJBs and health boards;

Action: Director of Innovation and Transformation

- LG overviews – robust mechanism for tracking outstanding recommendations under development, and potential for audit committees to play a stronger role in this
- Scrutiny – SCG could support coordination of follow-up and learning from national reports.

After discussion, the Commission:

- Noted the contents of the report
- Agreed to the publishing of the report on the Audit Scotland website.

14. Commission intervention options – proposed framework

Sarah Watters presented the report, which builds on discussions at January's Accounts Commission meeting and sets out a proposed framework which will guide the Commission on how they respond to statutory reports and audit delivery concerns, and inform stakeholders.

Sarah highlighted a number of key points, including:

- The framework applies to statutory reports and audit delivery only, not performance audits, at this point
- Points around changes to legislation on findings and hearings will be clarified
- Ministers' responses are not mandatory but it is unlikely that they would not support the Commission on high-profile reports
- Cabinet Secretary writes to all councils following S102 reports, including Best Value reports.

A number of points were raised during discussion including:

- 'Hearing Lite' will be reconsidered, as the term does not convey the right message
- Emphasis on proportionality – responses should be the least intrusive form necessary
- Budget – need for discussion with Audit Scotland on contingency budget for hearings, acknowledged that hearings incur additional costs for all parties and the decision to proceed must be justified against costs and cost-benefit analysis on all actions is important. This will be made clearer in the framework.
- Paragraph 48 should be amended to reflect that hearings are a valid option, as opposed to a "last resort".
- Paragraphs 16 & 17 to be reviewed – terminology 'illegally / unlawfully'
- There has been an expectation that every council should have an improvement plan, which has declined in recent years
- Reinforce the role of COSLA and IS in relation to continuous improvement
- Discussion on clearer timescales on audit delay escalation but recognition that each case is different
- Further work needed to clarify evidence thresholds for censure powers
- A revised version will be circulated by correspondence, after which targeted engagement will be planned ahead of wider publication.

After discussion, the Commission:

- Agreed the Response Framework – subject to any changes or additions being incorporated – as a key part of the way in which the Commission will deliver its statutory functions
- Agreed that the final framework should be shared with key stakeholders and published on Audit Scotland's website

15. Chief Operating Officer update (including Future Public Audit Model update)

Vicki Bibby, Chief Operating Officer, delivered a verbal update to the Commission, which included:

- Vicki has written to all public bodies and auditors to stress the importance of timely annual audits (the letter has been circulated to Commission members)
- Future Public Audit Model – progressing well, with key discussions with the Commission sounding board. Further discussion is planned for the Strategy Seminar in September

Audit modernisation – engagement with firms including around use of AI; reassured that Audit Scotland's systems are performing well recognising the significant level of investment in the private sector. Further work to be explored on use of generative AI in public sector audits

England financial reporting framework – consultation on proposed changes for 2027/28 due later this month

2026/27 budget preparation – informal assumptions to be shared with Scottish Commission for Public Audit in September, full budget in December. Vicki proposed that following success of the previous year's approach we use the Commission subgroup – Chair, Deputy Chair, Derek Yule and Jennifer Henderson – again this year to review the Audit Scotland and Commission budgets, following which the Commission's core budget will be discussed formally. This was agreed.

16. Any other private business

There was no other business declared.

Close of business

There being no further business, the Chair closed the meeting.

Accounts Commission Action Tracker
As at: 03 September 2025



Action No.	Date	Action	Action by	Assigned to	Timescale	Progress	RAG Status	Date complete
25/032	14-Aug-25	Financial sustainability Gemma to amend wording in the report relating to financial sustainability to reflect significant challenges, particularly across IJBs and health boards	Director of Innovation & Transformation	Gemma Diamond	Sep-25	Wording has been amended in report.	Complete	02/09/2025
25/031	14-Aug-25	Scrutiny Partner Engagement interest in challenges around meaningful partner engagement and reporting strategic outcomes via CPPs. Helena to add to next SCG agenda	Controller of Audit	Helena Gray	Sep-25	Next SCG meeting is currently being scheduled for October	In progress	
25/030	14-Aug-25	Teacher contact time Joe to follow up on and report back in September regarding progress towards a reduction in contact time.	Policy Manager for the Commission	Joe Chapman	Sep-25	Update provided in the September LG Policy Update report	Complete	01/09/2025
25/027	12-Jun-25	Audit delivery Controller of Audit to bring update report to Commission on audit delivery oversight, in conjunction with AQA, including completion targets, roles and responsibilities, and escalation procedures	Controller of Audit	Helena Gray	Aug-25	Now incorporated into the work on Intervention options - to be discussed by the Commission at the August meeting	Complete	14/08/2025

Local government policy update

Item 5

Policy Manager for the Commission

Meeting date:
11 September 2025

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 news updates](#).

Recommendations

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

Recent publications

3. Media coverage and engagement for recent publications is as follows:

- [Delivering for the future: Responding to the workforce challenge](#) (7 August 2025)
 - *Coverage:* Interview on Good Morning Scotland, plus stories on TV, national radio and local radio bulletins all day. Print and online articles via numerous UK, Scottish and regional titles.
 - *Engagement:* 1,200 downloads in 25 days. Social media: 2,250 views, 90 video views, 200 engagements including 100 link clicks. No noteworthy shares or comments.
 - Headlines mainly focused on sickness absence figures, but other messages were highlighted including workforce planning.
- [Accounts Commission annual review 2024/25](#) (3 July 2025)
 - Coverage N/A. Publication shared via social media; email newsletter to follow in w/c 8 September. 100 downloads so far.
- [Flooding in communities: Moving towards flood resilience](#) (28 August 2025)
 - *Coverage:* Interviews on Good Morning Scotland, STV News and ITV Borders, plus stories on TV, national radio and local radio bulletins all day and all evening. Print and online articles via numerous UK, Scottish and regional titles.
 - *Engagement:* 525 views in 4 days. Social media: 2,400 views, 150 video views, 200 engagements including 100 link clicks.

The report was shared via original posts on LinkedIn by Climate Emergency Response Group and a construction consultant.

- The focus of media coverage was on the escalating costs of flood schemes and the level of protection they will provide.

Media and Parliamentary monitoring

4. Recent references to the Commission and its reports include:

- Derek Yule was interviewed for and quoted in this [BBC News analysis of Scottish council debt](#). The article highlights that councils had a combined debt of £19.2 billion in Quarter 1 of 2025/26, up by 11% on last year. It explains what councils borrow for, and explains the impact debt has (and doesn't have) on council tax and services.
- The Commission's 'Financial bulletin' and 'Transformation in councils' reports are both referenced in a [highly critical analysis of the Scottish Government's Public Service Reform Strategy](#) by the Local Government Information Unit (LGIU).
- The Commission's recent financial reporting and a [2002 report on trading standards](#) (TS) are mentioned in a story by The Herald about the impacts of years of budget cuts on services and staff numbers. TS officers say they are looking into [opting out of local authority control](#) and instead being directly funded nationally.
- The 'Tackling digital exclusion' report is mentioned in a [Holyrood article](#) in which the Scottish Council for Voluntary Organisations says Scotland is lagging behind the rest of the UK in digital skills.

Consultations

5. As agreed at the August meeting, the Commission's response to the Local Government Housing and Planning Committee's pre-budget scrutiny letter was signed off by the Chair, Deputy Chair and the sponsors of the 'Transformation in councils' report, on behalf of the Commission. Members can view the [Commission's response to the Committee](#).

6. The Committee has also invited the Commission to give oral evidence on Tuesday 16 September. Jo Armstrong is unavailable due to leave but Andrew Burns has agreed to attend alongside Blyth Deans of Audit Scotland. At the time of writing the Commission Support Team was liaising with the Committee clerks regarding additional members also attending.

Local and Scottish government finance issues

7. First Minister John Swinney has said the Scottish Government is [considering "a range of tools"](#) to cover a projected £2.1 billion deficit in its capital budget by the end of the decade. One option is the form of '[Mutual Investment Model](#)' (MIM) used by the Welsh Government, which pays a

private partner a fee for construction, maintenance and financing costs, with the asset transferred to public ownership on completion. The Institute for Government recently published an [explainer on private finance models](#).

8. Mr Swinney's comments followed the publication of the latest annual [Government Expenditure and Revenue Scotland \(Gers\) report](#), which showed Scotland's annual public spending deficit increased to £26.2 billion in 2024/25, up from £21.4 billion in the previous year. Spending per person was £2,700 higher than in the UK as a whole. The Fraser of Allander Institute has produced a [brief analysis of the figures and interpretations](#).

9. Meanwhile the [Scottish Fiscal Commission \(SFC\) published its latest update](#). The SFC says, based on current trends, the Scottish Government expects revenue spending to exceed available funding by £2.6 billion (4 per cent), and capital spending to exceed funding by £2.1 billion (23 per cent), by 2029/30. [Reporting by The Times](#) focused on the impact of pay deals and social security spending, and implications for the Scottish Government's targets for reducing the public sector workforce.

UK local government finance updates

10. A [highly critical report](#) by academics at the University of Sheffield's Audit Reform Lab found that the abolition of the Audit Commission in England has led to a broken market that delivers poor value for money and weaker accountability. [Contrary to intended savings of £100 million](#), the research found English councils now pay over double the hourly rates for additional audit work compared to Scotland and Wales, with overall costs having tripled from 2022/23 to 2023/24. However, audit delivery is more delayed in England than elsewhere. The authors call for the Local Audit Office to enable a 70-30 split between public and private audits of English councils.

Policy area updates

Education

11. The Scottish Government issued an update on "[easing teaching workload](#)" which says work is underway with councils and unions "to create a plan to reduce class contact time". There will also be work to explore "reducing bureaucracy" and increasing use of technology to free up teachers' time. This update followed a meeting with teaching unions on 20 August, which was the deadline that had been set by First Minister John Swinney for a "credible proposal" from local government.

12. As [reported by Tes](#), this suggests there is "still no clear plan" for reducing contact time. The EIS union [published a report on the 20 August meeting](#) providing its point of view on progress. Days later, the EIS announced the results of a consultative ballot, in which 92% supported action short of a strike and 83% said they would back a strike. [COSLA issued a statement](#) in response to the ballot, noting "practical delivery issues and the need for additional funding" for reducing contact time.

13. Campaigners in Dumfries and Galloway are [calling for a radical rethink of rural education](#) to help protect small communities. A report by the Glenkens Community and Arts Trust says the current approach prioritises short-term cost savings over the “long-term impact on communities”, and highlights a ‘clear link’ between school closures and subsequent local rural depopulation. The group says it wants to work with the council to create sustainable rural education provision in the area, and is proposing a local lifelong learning hub focused on skills relevant to the local economy.

Communities and infrastructure

14. Edinburgh’s proposed new North-South tram line is [expected to cost between £2 billion and £2.9 billion](#), depending on the route chosen for part of the line between Granton and the Royal Infirmary. The council has launched a consultation on all aspects of the plans. It’s unclear where the money will come from, though – the Scottish Government has said funding the new route directly is “not affordable in the current fiscal climate” and has suggested the council explore alternative avenues such as the City Region Deal, while there have been [mixed statements from senior elected members](#) about council funding of the line.

15. Plans to permanently close four libraries in Argyll and Bute were [withdrawn by the area’s culture and leisure trust](#), Live Argyll, following a local backlash. The council said it would have needed to consider whether there was still adequate library provision in the area had the proposals been implemented, but the trust had advised that it no longer intends to close any libraries. Communities had previously accused the trust of a [lack of consultation, transparency or scrutiny](#) regarding the plans.

Health and social care

16. A number of updated official statistics were published showing current demand for health and social care services. Public Health Scotland (PHS) data show [nearly 7,500 people are waiting for a social care assessment](#) – up 14% on last year – while a further 3,250 people have been assessed and are awaiting a care package. Meanwhile, [delayed discharges have remained fairly static in recent months](#), with around 1,850 people delayed, for an average of 28 days. And new estimates from PHS of the number of different people waiting for an NHS treatment (as distinct from the number of cases) showed [one in nine Scots are on at least one waiting list](#).

17. The latest [official figures for drug deaths in Scotland](#) showed a fall of 13 per cent to 1,017 in 2024 – the lowest annual number since 2017. However, Scotland still has the highest rate of drug deaths in Europe, with 191 fatalities per million people – far above the next-highest rate of 135. Experts warned the figures could rise in 2025, with statistics showing [suspected drug deaths](#) in the first half of the year are higher than in 2024.

Housing and homelessness

18. The new Cabinet Secretary for Housing, Mairi McAllan, pledged that [£4.9 billion will be invested over the next five years](#) to build around 36,000

affordable homes alongside other measures in an ‘emergency action plan’. The money will be a “mix of public and privately leveraged investment”, with details to follow in the spending review. However, while the Scottish Government says it wants to increase housing delivery by at least 10% each year, industry bodies say Scotland needs to see a near-doubling.

19. Glasgow City Council says it faces [soaring homelessness costs due to rising demand from refugees](#), who account for 44 per cent of all temporary accommodation requests. It is thought the right of anyone made homeless to be given shelter in Scotland, rather than just those in ‘priority need’ as in England, leads many who are granted leave to remain elsewhere to come to Scotland. The council is projecting a £43 million overspend on homelessness services this year and a £66 million gap next year.

Other updates

20. Recent publications of relevance and interest are listed below:

- LGIU: [Scotland’s Public Service Reform Strategy: Myth or reality?](#)
- LGIU: [Council Tax - Outlining the need for reform](#)
- LGIU: [Is the Devolution and Community Empowerment Bill the foundation of a ‘devolution revolution’?](#)
- LGIU: [What are voters thinking now, and why should local government listen?](#)
- LGIU: [Use of open spaces: how to balance the needs of local communities and the pressures to raise revenue](#)
- LGIU: [House hunting: What more could local government do to tackle the housing emergency?](#)
- LGIU: [Community-led housing in Scotland: policy, practice and the role of the South of Scotland Community Housing](#)
- LGIU: [Interview with Mary Kerr, Climate Finance Lead, Glasgow CC](#)
- Scottish Parliament Information Centre (SPICe): [Scotland's car use reduction: Challenges and new goals](#)
- SPICe: [Children \(Care, Care Experience and Services Planning\) \(Scotland\) Bill \(detailed briefing\)](#)
- Improvement Service (IS): [Tackling child poverty and climate change together - a call to action for local authorities in Scotland](#)
- IS: [Let's evaluate - join our webinar series](#)
- IS: [Councillor Academy: development begins on new learning portal](#)
- Scottish Government: [Care in the digital age: Delivery plan 2025-26](#)

Conclusion

21. The Commission is invited to note this report and consider any implications for its work programme.

Chair's update

Item 7

Meeting date:

Chair of the Accounts Commission

11 September 2025

Purpose

1. This report provides an update on the engagements and work of the Chair of the Accounts Commission since the Commission met last in August.

Engagement and Commission business

2. Details of my engagements and work since the last meeting are as follows:

Audit Scotland engagement

- Regular meetings with: Vicki Bibby, Chief Operating Officer; Helena Gray, Controller of Audit; Alison Cumming, Executive Director of Performance Audit and Best Value
- 15 August – Chartered Institute of Public Finance and Accountancy (CIPFA) Directors of Finance Executive Committee Meeting
- 02 September – Audit Scotland's Audit Committee, including Risk Deep Dive: Managing the impacts on staff from organisational change

Commission business

- Regular meetings with Sarah Watters, Director for the Commission; Lee Ovens, Executive Assistant; and Joe Chapman, Policy Manager.
- 18 August – Accounts Commission consultation discussion with ALLIANCE (national third sector membership organisation for health and social care sector)
- 19 August – Future Public Audit Model 'sounding board' discussion
- 20 August – East Lothian Council Best Value follow-up visit
- 26 August – Clackmannanshire Council – further Best Value follow-up meeting
- 26 August – Consultation discussion with COSLA's President and Vice President

- 28 August – Local Government Overview Spotlight paper discussion
- 02 September – Future Public Audit Model discussion with Audit Scotland Board Chair, Auditor General, and Chief Operating Officer
- 08 September – Accounts Commission preparation session with Andrew Burns, Sarah Watters, Helena Gray, Joe Chapman, Lee Ovens and Callum Aitken

External engagement

- 04-05 September: Solace Scotland Conference 2025

Forthcoming activities

3. My forthcoming engagement activities include:

- Regular catch ups with Helena Gray, Sarah Watters, Lee Ovens, Vicki Bibby, Alison Cumming and Stephen Boyle
- 15-19 September – I will be taking annual leave
- 23 September – Audit Scotland Board meeting
- 24 September – Accounts Commission consultation discussion with Moray Council
- 25 September – bi-monthly meeting with Catriona MacKean, Deputy Director for Local Government, Scottish Government
- 08 October – annual meeting with the Cabinet Secretary for Finance and Local Government

Conclusion

4. The Commission is invited to:

- Note this report and enquire about any areas of interest.