

**MEETING: 12 NOVEMBER 2020**

**REPORT BY: SECRETARY TO THE COMMISSION**

**UPDATE REPORT**

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## **Introduction**

1. The purpose of this report is to provide an update to the Commission on significant recent activity relating to local government, focussing particularly on the response to the Covid-19 pandemic.
2. The regular Controller of Audit report to the Commission which updates the Commission on his activity complements this report. The Commission's Financial Audit and Assurance Committee also receives a more detailed update on issues relating to local government. This report also complements the weekly briefing provided by Audit Scotland's Communication Team made available on the extranet site, which provides more detailed news coverage in certain areas.
3. The information featured is also available on the Accounts Commission member sharepoint site. Hyperlinks are provided in the electronic version of this report for ease of reference.

## **Commission business**

### ***Publications***

4. Audit Scotland collects [media coverage](#) on all the reports published by the Accounts Commission. Audit Scotland also provides a weekly summary of the [key media stories regarding local government](#). Both are available through Audit Scotland SharePoint, on the Accounts Commission members' extranet. The Appendix on download statistics for published reports will be reintroduced in a future report.
5. On 22 October the Accounts Commission published the [Best Value Assurance Report on Aberdeenshire Council](#), including an animation and email newsletter. The animation was promoted on social media and posted on our YouTube channel and website. The email newsletter was sent to 117 local contacts comprising the local third sector, community councils, community development groups and tenant groups (these groups will in turn have forwarded on to their own contacts). The Council will consider the report on 17 November. It responded to the report through a statement from Council Leader Cllr Jim Gifford thus: "We welcome the recommendations and observations in the Best Value report. It was a comprehensive audit process which has teased out some of the steps we need to take as an organisation to keep moving forward at pace. The Commission will meet representatives of the Council on 5 November.

### ***Other Commission business***

6. On 30 October the Commission met with representatives of Dundee City Council to discuss the [Best Value Assurance Report](#) published on 10 September 2020. The Commission was represented by Tim McKay, Andrew Burns and Geraldine Wooley (also present were Paul Reilly, Secretary to the Commission, and Fiona Mitchell-Knight, Audit Director, Audit Scotland and appointed auditor). The Council was represented by the four political group leaders, namely Councillor John Alexander

(SNP Group and Leader of the Council); Bailie Kevin Keenan (Scottish Labour); Bailie Derek Scott (Scottish Conservative); and Bailie Fraser Macpherson (Scottish Liberal Democrat). Officers taking part were David Martin (Chief Executive); Greg Colgan (Executive Director of Corporate Services and recently appointed as new Chief Executive replacing David Martin from early 2021); Paul Clancy (Executive Director of Children and Families); Robin Presswood (Executive Director of City Development); Elaine Zwirlein (Executive Director of Neighbourhood Services); Vicky Irons (Chief Officer of Dundee Health and Social Care Partnership); Judie Dobbie (Director of Leisure and Culture Dundee); Roger Mennie (Head of Legal and Democratic Services); and Andrea Calder (Head of Chief Executive's Service). The Council will consider the Best Value Assurance Report at its meeting on 16 November 2020.

7. On 4 November, the Commission Chair met with appointed local government auditors and discussed the consultative draft of the annual planning guidance and the Commission's stakeholder engagement on the Code of Audit Practice.
8. The Commission is considering further how to use its communications and engagement activities to reach a wider audience. It is working with Audit Scotland's Communications team to make its meetings and business more publicly accessible. This includes the application of the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018 which sets out principles for ensuring videos can be used by as many people as possible, for example allowing for sight or hearing impairment. Commission members will be updated on the most appropriate options later this year.
9. At its March meeting, the Commission requested details of the Scottish Government's announced £117 million investment in mental health services. Pre Covid-19 it was agreed that the Mental Health Services budget for 2020/21 would increase by 36.8% to £117 million. Following the summer budget revision undertaken in May 2020, the £117 million for mental health services was retained. The Health and Sport portfolio is managing an unprecedented level of financial challenge as a result of Covid-19 in 2020-21 and the Scottish Government continues to examine spending implications.
10. The Scottish Government's investment plans take place against a programme of wider improvement and reform set out in the Mental Health Strategy 2017-27 and Better Mental Health in Scotland (December 2018) and the Programme for Government Commitments in both 2018, 2019 and 2020. The Scottish Government's key mental health priorities are to improve access to high quality clinical services, while at the same time making progress in implementing new measures that widen and deepen the whole approach to mental health. In 2020-21 the Scottish Government hoped to provide funding to:
  - support the work of the Perinatal and Infant Mental Health Programme Board;
  - widen the approach to children and young people's mental health;
  - progress their commitment to provide 800 additional mental health professionals in key settings by 2021-22;
  - continue with the development of the Distress Brief Intervention programme;
  - support the National Suicide Prevention Leadership Group;
  - put those most directly involved in mental health services at the heart of developing the approach to supporting adults through the Adult Mental Health Improvement Collaborative; and
  - invest in the opportunities offered by the creation of Brain Health Scotland.
11. At its May 2020 meeting Commission members requested further information on the

Crown Estate fund for councils in relation to coastal-based businesses. 2019/20 was first year under the new arrangements to ensure that coastal communities benefit from the net revenue generated by the Scottish Crown Estate marine assets out to 12 nautical miles following the recent devolution of the management of the assets. This allocation replaces the Coastal Community Fund. The Scottish Crown Estate: strategic management plan can be accessed [here](#). Scottish Ministers have agreed that annual allocations should be distributed to local areas in arrears following the finalisation of the annual accounts for the Scottish Crown Estate and the £7.2 million allocation for 2019-2020 relates to the net revenue generated in 2017-2018. In an approach agreed with COSLA, the allocation is based on the council's share of the adjacent sea area. 26 local authorities can access this fund which is used for projects delivering coastal community benefit. The remit of the fund has been widened as a result of Covid-19. The fund can now be used to offer direct support to struggling coastal enterprises and organisations. Each of the 26 councils' allocation of the £7.2m for 2019-2020 is below:

Local Authority	Crown Estate marine assets	Local Authority	Crown Estate marine assets
Aberdeen City	£30,400	Highland	£1,292,405
Aberdeenshire	£328,314	Inverclyde	£3,476.20
Angus	£80,950	Moray	£102,508
Argyll and Bute	£1,115,864	North Ayrshire	£88,162
Clackmannanshire	£1,000	Orkney Islands	£773,673
Dumfries and Galloway	£309,041	Perth and Kinross	£1,565
Dundee City	£1,000	Renfrewshire	£1,000
East Lothian	£57,915	Scottish Borders	£57,312
Edinburgh, City of	£5,408	Shetland Islands	£1,008,679
Eilean Siar	£1,702,411	South Ayrshire	£93,299
Falkirk	£1,442	Stirling	£1,000
Fife	£136,659	West Dunbartonshire	£1,000
Glasgow City	£1,000	West Lothian	£1,000

## Audit Scotland

- On 23 October Audit Scotland published its [Annual Diversity report](#). This report contains information about the diversity of our staff as at 31 March 2020.

## Issues affecting local government

### *Scottish Government*

- The ongoing Covid-19 emergency has led to much Scottish Government activity since the last meeting of the Commission. For ease of reference, this section is divided into the following sub-sections:
  - Local government general
  - Economy
  - Health and social care
  - Education
  - Transport

- Communities
- Business
- Other matters

#### *Local government general*

14. On 8 October a package of financial flexibilities and extra funding for councils worth up to £750 million was [agreed](#) by the Scottish Government and COSLA. Councils will be granted additional spending powers worth around £600 million to address the financial pressures caused by Covid-19 over the next two years. An estimated £90 million Lost Income Scheme will also be established to compensate councils for lost sales, fees and charges, which can be topped up with an additional £49 million for trusts delivering services on behalf of councils.
15. On 14 October the Scottish Government published [figures](#) on the number of council tax reduction recipients and the income foregone for all local authorities from April 2013 to August 2020.
16. On 19 October the Scottish Government opened a [consultation](#) on a possible revision of the Councillor's Code of Conduct. The code is being refreshed to account for the development of social media and to strengthen its position against bullying and harassment. The deadline for submissions is 8 February 2021. The Commission intends to respond to this consultation and will consider its response at a future meeting.
17. On 21 October it was announced that a £30 million [package](#) of funding was being made available to local authorities to support people facing financial hardship as a result of Covid-19. Councils will have flexibility in how £20 million is used to support people in their communities, while £10 million has been made available for the continued provision of free school meals over the winter break, with future funding confirmed to extend support over Easter.
18. On 27 October the Scottish Government published a range of council tax [datasets](#) such as numbers of chargeable dwellings and council tax by band.

#### *Economy*

19. On 29 September the Scottish Government published the [State of the Economy](#) report. Economic output remains 10.7% lower than pre-pandemic levels but has grown for three consecutive months and has recovered more than half the fall recorded in March and April. Around 15% of employees were furloughed in August. The report suggests economic recovery will continue into the third quarter but warns there is greater uncertainty for the fourth quarter due to risks of a second wave, further restrictions and the failure to agree a UK-EU trade deal. Economic activity is predicted to return to pre-pandemic levels by the end of 2023.
20. On 2 October the Scottish Government published the [Fiscal Framework Outturn Report 2020](#), which contains outturn and reconciliation information for Scottish Income Tax, Scottish Landfill Tax, Land & Buildings Transaction Tax and devolved social security benefits, as well as updates on borrowing and the Scotland Reserve.
21. On 13 October the Scottish Government published the [latest market trends](#) for October. Scotland's unemployment rate stayed at 4.5% over the quarter, the same as the UK rate.
22. On 14 October the Scottish Government published Scotland's [marine economic](#)

[statistics](#) for 2018, which [show](#) the marine economy generated £4.3bn in GVA, a decrease of 17% from 2017, and employed 74,200 people, a decrease of less than 1% from 2017.

23. On 21 October the Scottish Government published experimental [GDP estimates](#) for August 2020, which indicate a 2.6% increase from July. GDP remained 9.4% below the level in February, with around 60% of the lockdown fall recovered. There was a more uneven pattern of growth among the main sectors of the economy, with increases in services and construction sectors but a slight fall in production sector output.
24. On 28 October the Scottish Government published its [Inward Investment Plan](#), setting out its ambition for Scotland to be a “leading destination” for inward investment. The government is aiming to allocate £20m per year for inward investment in an attempt to increase GDP by £4.2 billion, increase exports by £2.1 billion over the next 20 years and add up to £680 million a year to government revenues. The plan identifies nine areas for inward investment, including energy transition, transport decarbonisation, IT, digital finance, business services, space, health technology, chemicals and food and drink. An [Analytical Methodology Note](#) has also been published.

#### *Health and social care*

25. On 8 October it was announced that [Lorna Birse-Stewart](#) has been appointed as the new chair of NHS Tayside. Ms Birse-Stewart has been vice chair since October 2018 and became interim chair in July 2019. She has a background in both the NHS and the third sector and was chief executive of the Ambulance Services Charity and regional manager for Scotland of Arthritis Research UK.
26. In the Programme for Government 2020-21 (published September 2020) the Scottish Government made a commitment to publish a Mental Health Transition and Recovery Plan in autumn 2020. On 9 October the Scottish Government published the [transition & recovery plan for mental health](#). The plan focuses on groups including children and young people, those facing redundancy, and people with long-term physical health conditions, and aims to build on responses to the pandemic, such as the Clear Your Head campaign, the expansion of digital health services and the establishment of mental health assessment centres. It also set outs a tailored programme of support to help NHS boards respond to the anticipated increase in demand over the winter. A [summary](#) of key actions has also been published.
27. On 12 October the Scottish Government launched a [consultation](#) about the designation of IJBs as category 1 responders under Schedule 2 of the Civil Contingencies Act 2004. [Responses](#) are invited by Monday 2 November. It is not intended to respond to this consultation.
28. On 13 October the Cabinet Secretary for Health wrote to care home providers to outline updated [care home visiting guidance](#). The length of indoor visits can be extended from half an hour to up to four hours. Outdoor visits can now include up to six visitors from no more than two households for one hour per visit. Information on the reintroduction of elements of personal care and physical contact is also provided. The letter includes an update on the transition of the care home worker staff testing programme to the NHS Scotland testing network. An update to the [guidance](#) on enhanced wellbeing activities concerning singing and spiritual care has also been published, and a [leaflet](#) on visiting for friends and families has been updated. The full collection of government guidance on the topic can be accessed [here](#).
29. On 19 October the Scottish Government published [quarterly performance reports](#) for the recruitment of mental health workers.

30. On 29 October Public Health Scotland published [information statistics](#) on people who were discharged from an NHS Scotland hospital to a care home between 1 March and 31 May. The statistics [reveal](#) that 78 hospital patients tested positive for Covid-19 out of the 3,599 patients discharged to care homes between 1 March and 21 April. 81.9% of these discharges were not tested for Covid-19, in-keeping with clinical guidance which restricted testing to those with symptoms of infection. Between 22 April and 31 May, 1,605 discharges from hospitals to care homes took place with 93% being tested for Covid-19, in line with changes in the clinical guidance. A total of 278 individuals tested positive, with 233 returning a negative test prior to discharge.

### *Education*

31. On 8 October the Scottish Government [announced](#) National 5 exams will not take place this year and will be replaced with continuous assessment and teacher judgement. Higher and Advanced Higher exams are to take place from Thursday 13 May with contingency plans prepared in case they cannot go ahead. The [rapid review](#) of the 2020 national qualification awarding process by Mark Priestley has been published, which recommends the suspension of the National 5 exam diet. The government [response](#) has also been published.
32. On 9 October [published](#) the Attainment Scotland Fund (ASF) Evaluation headteacher survey report for 2019. The survey found 91% of schools had seen an improvement in closing the poverty-related attainment gap in literacy, numeracy or health and wellbeing as a result of ASF approaches. The technical report has also been [published](#).
33. On 12 October the Scottish Government published a [summary](#) of the findings of a survey about the impact of reopening guidance on early learning and childcare providers.
34. On 12 October the Scottish Government [published](#) the Attainment Scotland Fund (ASF) Evaluation headteacher survey report for 2019.
35. On 23 October the Scottish Government announced that it will [provide](#) £2 million to mitigate the financial challenges faced by the residential outdoor education sector as a result of Covid-19. Alongside the new fund, a package of communication and support materials will be produced for local authorities and schools in order to publicise the opportunities for outdoor learning experiences in their area.
36. On 28 October the Scottish Government published [analysis](#) on deferred entry to primary school statistics.

### *Transport*

37. On 11 September the Scottish Government [awarded](#) £9.46 million in funding to ten active travel and low carbon projects through the Low Carbon Travel & Transport Challenge Fund. Recipients include the Isle of Gigha Heritage Trust, which will receive £593,000 to hire a fulltime ranger, construct and upgrade an 8km network of paths across the island and buy bikes and e-bikes for rental at the ferry slip. The funding also includes £7.21 million through the European Regional Development Fund to help establish ten active travel and low carbon transport hubs or projects.
38. On 12 October the Scottish Government [announced](#) over £140,000 to help finance further access improvements on Scotland's ferry networks through the sixth round of the ferries accessibility fund, which has just opened for applications. The fund looks to make improvements to existing vessels and harbours beyond regulatory standards set for accessibility, with awards made on a match funding basis. Applications can come from both the public and private sectors.

39. On 14 October the Scottish Government announced a further £4 million of emergency [funding](#) for Glasgow Subway and Edinburgh Trams in response to the ongoing impact of the pandemic. The funding is in addition to the £9 million announced in July and will be in place to support services until the end of 2020. The announcement follows discussions with Strathclyde Partnership for Transport and Edinburgh Trams the impact of Covid-19 on travel demand.
40. On 26 October the Scottish Government opened a [consultation](#) on the proposed launch of a new scheme providing free bus travel for young people resident in Scotland under the age of 19. It expects legislation to underpin the scheme to be laid in parliament in early 2021, with the scheme coming into effect later that year. The consultation will close on Monday 7 December. It is not intended to respond to this consultation.

### *Communities*

41. On 29 September the Scottish Government published a quarterly [update](#) on housing statistics. In 2019, 22,386 new build homes were [completed](#), an increase of 11% on the previous year. The number of new build homes started increased by 7% to 23,672. In the latest quarter to June 2020, there were significant decreases in the number of affordable homes approved, started and delivered due to the impact of the coronavirus pandemic.
42. On 2 October the Scottish Government published a [guidance note](#) detailing the process for planning the delivery of the majority of grant-funded homes through the Affordable Housing Supply Programme. A Social Housing Tender price index [quarterly report](#) has also been published.
43. On 8 October the Scottish Government published an [updated](#) Ending Homelessness Together action plan. The updated action plan is comprised of existing plans for tackling homelessness alongside new recommendations from the Homelessness & Rough Sleeping Action Group, reconvened in June, on tackling the issue during the pandemic and longer term. The action plan outlines proposals to modify night shelter provision this winter and end the use of night shelter and dormitory-style provision in future by establishing rapid rehousing welcome centres. There are also plans to scale up Housing First and increase the proportion of social homes allocated to those who are homeless.
44. On 9 October the Scottish Government [launched](#) a consultation seeking views to inform the guidance and toolkit for completing an Island Communities Impact Assessment. The consultation will close on Monday 9 November. The Commission will be responding to this consultation, but given the tight timescale, this will be agreed by the Chair and shared with members for their information.
45. On 9 October the Scottish Government [announced](#) £3.5 million to support local communities in the green recovery from the coronavirus pandemic. The Community Climate Asset Fund will provide grants of up to £100,000 for projects that support community climate action including energy efficiency and the purchasing of electric bikes and vehicles. Smaller grants of up to £10,000 are available to support active travel and waste reduction projects, and enable community groups and schools to purchase tools and equipment for food growing projects
46. On 12 October the Scottish Government published a [report](#) summarising the trends of successive Scottish household surveys between 1999 and 2019.

### *Business*

47. On 30 September the Scottish Government [announced](#) the introduction of a self-

isolation support grant of £500 to help those on low incomes who would lose money because of self-isolation. Local authorities will administer this grant through the Scottish Welfare Fund.

48. On 12 October the Scottish Government outlined [details](#) of a £40 million fund to help businesses affected by temporary restrictions. The Covid-19 Restrictions Fund will provide one-off grants of up to £3,000 to businesses required to close and grants of up to £1,500 will support those which remain open but are directly impacted. £9 million will help with the costs of furloughing staff, while a discretionary fund of £11 million will help businesses which don't fall into the above categories.

#### *Covid-19 measures*

49. On 8 October the First Minister announced new [coronavirus restrictions](#). They were a mixture of nationwide measures and tougher restrictions for large areas of the central belt where the virus is currently more of a danger. They covered hospitality settings, the sale of alcohol, household interaction, sports, and life events including marriages, civil partnerships and funerals.
50. On 9 October the First Minister confirmed two more walk-in testing centres had opened in West Dunbartonshire and Stirling, and there were plans for centres to open in Dundee and Inverness later this month. This adds to the other five existing operational centres.
51. On 21 October the First Minister [announced](#) the short term Covid-19 restrictions would be extended until Monday 2 November, when Scotland is due to move to a five-tier system of virus alert levels. As a result of the extension, further funding will be [provided](#) to affected businesses. The Covid-19 Restrictions Fund will now provide one-off grants of up to £4,310 to businesses required to close, while the maximum hardship fund grant for businesses which remain open but are directly impacted by restrictions will increase to £2,155. [Guidance](#) on the fund has been updated to reflect the changes.
52. On 26 October announced the new [strategic framework](#) to tackle coronavirus. The parliament will vote on the general framework tomorrow, with the government implementing the new [Covid-19 protection levels](#) in consultation with its advisers and local authorities. Decisions are to be made on levels for different parts of the country from Monday 2 November and reviewed every two weeks. There are five levels of intervention which could be imposed locally or nationally, depending on the prevalence of the virus, ranging from close to normality in level zero, to similar to a full lockdown in level four. Details of [support for businesses](#) affected by restrictions have also been published. From Monday 2 November, firms required to close by law will be eligible for grants every four weeks for £2,000 or £3,000, dependent on rateable values. Businesses constrained by measures will be eligible for £1,400 or £2,100 grants
53. On 28 October the Scottish Government [announced](#) one-off grants of up to £50,000 for nightclubs and soft play centres which have been closed by law since March. Guidance will also be published this week to help soft play centres prepare for re-opening when it is safe to do so.
54. On 29 October the Scottish Government [published](#) a Covid-19 PPE Plan which covers health, social care and other settings where Covid-19 could put people at risk. It outlines how the government plans to work with partners to develop a sustainable supply chain of PPE, with a special focus on winter planning. It acknowledges winter planning might be impacted by the end of the EU Exit transition period. The [plan](#) also includes modelling work of how the PPE supply and demand is changing and work to support innovation considering the environmental impacts of PPE. Frequently asked questions were also [published](#).

55. On 29 October the First Minister announced which councils would be placed on which tier under the [new strategic framework](#) to tackle coronavirus. The First Minister confirmed restrictions would be reviewed on weekly basis, with changes confirmed to parliament each Tuesday before coming into force on a Friday. That means the next update will be on Tuesday 10 November. The initial local authority [allocation](#) is as follows:

**Level 3:**

City of Edinburgh  
Clackmannanshire  
Dundee City  
East Ayrshire  
East Dunbartonshire  
East Lothian  
East Renfrewshire  
Falkirk  
Glasgow City  
Midlothian  
North Ayrshire  
North Lanarkshire  
Inverclyde  
Renfrewshire  
South Ayrshire  
South Lanarkshire  
Stirling  
West Dunbartonshire  
West Lothian

**Level 2:**

Aberdeenshire  
Aberdeen City  
Angus  
Argyll & Bute  
Dumfries & Galloway  
Fife  
Perth & Kinross  
Scottish Borders

**Level 1:**

Highland  
Moray  
Na h-Eilean Siar  
Orkney Islands  
Shetland Islands

*Other matters*

56. On 30 September the Scottish Government published the findings of a [joint inspection](#) by HM Inspectorate of Prosecution in Scotland and HM Inspectorate of Constabulary for Scotland of the emergency criminal justice provisions introduced in response to Covid-19. The report found there had been effective collaboration between Police Scotland, the COPFS and other partners during the pandemic. Support for retaining emergency provisions relating to the use of electronic signatures and electronic document transmission was highlighted. However, views on retaining emergency provisions relating to remote court appearances were mixed. The report found the revised Lord Advocate's guidelines on liberation by the police during Covid-19 had positively influenced custody decision making. It cautioned that efficiency must not take priority over justice and called for IT infrastructure to be developed to support technological innovations resulting from the pandemic. The need to secure buy-in from partners to ensure the success of new approaches was stressed.
57. On 1 October the Scottish Government launched a [consultation](#) on delivering a refreshed digital strategy for Scotland. The consultation is in partnership with COSLA and is seeking views from stakeholders, the public and businesses about the final content of the updated digital strategy. The consultation will close on Thursday 24 December and I will report to a future meeting on a response.
58. On 5 October the Scottish Government introduced the [Domestic Abuse \(Protection\) \(Scotland\) Bill](#). The bill gives the police and courts new powers to protect the victims of domestic abuse. The legislation allows the police to issue short-term notices to prevent abusers from coming into contact with their victims. It also contains provisions for ending tenancies involving abusive relationships.
59. On 12 October the Scottish Government published [statistics](#) on non-domestic rates

income.

60. On 14 October the Scottish Government published [information](#) on operations and funding approved for the European Social Fund and European Regional Development Fund programmes for 2014-20.
61. On 23 October the Scottish Government published a [report](#) on the social evaluation of the Energy Efficient Scotland Phase 2 pilots. The pilots focused on hard-to-treat buildings, strategies for engaging the self-funded market and innovative technologies and area-based approaches. The report draws on evidence from interviews conducted with all of the teams taking part in the nine pilots and explores organisational aspects such as pilot content, partnership working and procurement, skills and resources for delivery, and perceptions of the broader Energy Efficient Scotland programme.
62. On 26 October the Scottish Government [published](#) the latest version of national rules on eligibility of expenditures for the European Structural and Investment Funds 2014-20.
63. On 26 October it was confirmed that the UK and Scottish governments will [collaborate](#) to make more money available to subsidise the costs of building gigabit-capable broadband networks in hard-to-reach areas of Scotland. The governments will combine their respective broadband voucher schemes to provide £8,500 for SMEs and up to £6,500 for residential premises to improve broadband infrastructure in rural areas. This follows the £6 million to deliver broadband across the Tay Cities region through the UK Government's Local Full Fibre Networks programme. A further £3 million will also be provided to deliver broadband to public buildings and residential premises in Dundee and Perth & Kinross.

### ***Scottish Parliament***

64. On 29 September Jamie Greene MSP received a response to his parliamentary question that asked the Scottish Government what the primary and secondary school attendance rate has been since August 2020. The percentage attendance in primary schools was 95.8% on 17 August, before dropping to 84.1% on 28 August and rising to 95.0% on 10 September. The percentage attendance in secondary schools was 95.0% on 17 August, before dropping to 83.5% on 1 September and rising to 89.3% on 10 September.
65. On 8 October MSPs voted [against](#) consenting to the UK Government's Internal Market Bill.
66. On 9 October it was announced that the Scottish Parliament will [extend](#) its Covid-19 operating procedures until 24 December. The procedures are implemented by varying Parliament's Standing Orders. They include a range of provisions on virtual meetings, remote voting, public access requirements and scheduling.
67. On 12 October Neil Findlay MSP published the following motion in the Scottish Parliament:

**City of Edinburgh Council Budget Deficit**—That the Parliament expresses its concern at the City of Edinburgh Council's reported proposal to address its budget deficit by cutting staffing costs through the implementation of a severance scheme worth £14.5 million and by reducing staff hours; considers this an appalling way to treat essential council workers such as refuse collectors, social care workers, craft workers and social workers, and many more key staff, who it believes have worked hard throughout the pandemic to keep the streets clean, homes safe for tenants, the city moving and the

vulnerable safe and cared for; understands that the Edinburgh Poverty Commission highlighted in a recent report that almost 15% of Edinburgh's population live in poverty, including one in five children, and that Edinburgh has to become a living wage city within the next 12 months to challenge poverty; further understands that local authorities face a combined funding shortfall of £739 million due to the Covid-19 pandemic, which is expected to top £1 billion by the end of the year; recognises the seriousness of the challenge facing Edinburgh, which it understands has a deficit of £12.5 million; believes that the solution is in a fair funding model for local government that protects jobs and terms and conditions of local government workers, and enhances the role of local government and the public sector in expanding employment opportunities to deliver improved services to tackle the serious challenges ahead, and calls on the Scottish Government to take immediate steps to address what it considers the funding crisis in the city.

68. On 19 October the Scottish Parliament Information Centre (SPICe) [published](#) crime statistics for 2018-19 showing a 10% increase in non-sexual violent crimes reported from 7,251 to 8,008 compared to the previous year. Sexual crimes reported increased by 8% from 12,487 to 13,547 – the highest level seen since 1971, the first year for which comparable data is available. Vandalism figures have decreased by 6% from 58,970 to 62,422 the lowest level seen since 1976.

69. On 21 October Miles Briggs MSP received a response to his parliamentary question that asked the Scottish Government what communications Ministers have received regarding a bullying culture in local authorities. The Minister for Local Government, Housing & Planning, Kevin Stewart issued the following response:

“The Scottish Government occasionally receives allegations of bullying and harassment within local government from individuals. However, as councils are independent corporate bodies responsible for the management of their workforces we have no power to investigate such allegations ourselves. Officials will refer those individuals to appropriate organisations for assistance. On rare occasions and, if the allegations are anonymous, details of an allegation may be referred to the Accounts Commission to consider in its scrutiny role and the council notified to ensure it is aware and takes appropriate action through their policies and practices. We receive very few allegations and have no evidence of an endemic problem in local government. Where we are legally able to do so and have evidence of the need to intervene the Scottish Government will do so, such as amending the Councillors’ Code of Conduct to emphasise that bullying and harassment by Councillors is completely unacceptable and will not be tolerated.”

70. On 23 October SPICe published a [briefing](#) on the EU-UK future relationship negotiations.

### ***Parliamentary Committee News***

#### ***Public Audit and Post Legislative Scrutiny Committee***

71. On 24 September the Committee took evidence from a range of [stakeholders](#) on the section 22 report on the 2018-19 audit of Bòrd na Gàidhlig.
72. On 1 October the Committee took [evidence](#) on the section 23 report on the management of Cairngorm Mountain and funicular railway from Stephen Boyle, Auditor General for Scotland; Graeme Greenhill, Audit Scotland, Senior Manager, and Derek Hoy, Audit Scotland, Audit Manager.

73. On 8 October the Committee took evidence from [stakeholders](#) on the section 22 report, “The 2018/19 audit of NHS Highland”.

*Local Government and Communities Committee*

74. On 23 September the Committee considered a range of [Subordinate Legislation](#).
75. On 30 September the Committee [considered](#) a range of Subordinate Legislation and continued its Pre-Budget scrutiny by taking evidence from stakeholders.
76. On 30 September COSLA [wrote](#) to the Committee regarding the extension of the no evictions policy. COSLA supports the extension of the legislation and, noting concern it would be open to abuse, said the vast majority would continue to meet their responsibilities in terms of rent payments.
77. On 1 October the Committee published a [submission](#) from Shelter to pre-budget scrutiny inquiry. The submission calls for local authorities to take further steps to meet their legal duty to accommodate homeless applicants, for the Discretionary Housing Payment application process to be streamlined and for a commitment to build 37,100 social homes over the next parliamentary term. The extension of an SSI allowing local authorities to continue to place people in unsuitable accommodation was also criticised.
78. On 7 October the Committee continued its pre-budget scrutiny by taking evidence from [stakeholders](#).
79. On 9 October the Cabinet Secretary for Finance [wrote](#) to the Local Government & Communities Committee to report the chief secretary to the Treasury did not raise any issues with three of the four fiscal flexibilities proposed for local government. However, she raises concern that his proposal in response to a request to utilise £156m of local authority capital budget directly for Covid-19 resource costs provides no additionality to local government.
80. On 13 October the Committee launched a [consultation](#) on the Fair Rents (Scotland) Bill. The bill seeks to limit rent increases, allow private tenants to request a fair open market rent, and would require private landlords to provide information including the monthly rent charged on properties in the Scottish Landlord Register. The [deadline](#) for submissions is Monday 7 December. It is not intended to respond to this consultation.
81. On 15 October the Committee received a submission from the [Scottish Government](#) about support for individuals with no recourse to public funds
82. On 21 October the Scottish Government [wrote](#) to the Committee to provide an update on how the £350m communities funding package is being utilised. Support for local authorities, third sector organisations and efforts to tackle food insecurity and digital exclusion are outlined.

*Finance and Constitution Committee*

83. On 29 September the Committee [established](#) a panel of fiscal, economic and constitutional experts to identify the main “scrutiny challenges” they expect will arise in the portfolio over the next term of the Scottish Parliament. The committee has launched an inquiry into the matter and has tasked the experts with considering the combined effects of Scotland’s recent tax powers as well as the fiscal framework and constitutional changes Brexit will bring, all against the backdrop of the economic impacts of Covid-19. Mark Taylor, Audit Director, Audit Scotland is one of the panel members. On 4 November, Mark Taylor took part in an [evidence session](#) as part of the

inquiry.

84. On 30 September the Committee took [evidence](#) from Scottish Government officials on the United Kingdom Internal Market Bill.
85. On 6 October the Committee considered [two draft reports](#) on UK Internal Market Bill and Trade Bill 2020.
86. On 7 October the Committee continued its pre-budget scrutiny by taking [evidence](#) from representatives from the Scottish Government.
87. On 29 October the Committee launched a call for views on the European Charter of Local Self-Government (Incorporation) (Scotland) Bill Financial Memorandum. The [consultation](#) closes on 30 November 2020.

#### *Covid-19 Committee*

88. On 30 October the Committee took [evidence](#) from the Deputy First Minister on the 'Covid-19 Framework for Decision Making and Scotland's Route Map'.
89. On 7 October the Committee considered a range of [Subordinate Legislation](#).

#### *Other committees*

90. On 7 September the Equalities & Human Rights Committee opened a [call for views](#) on the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Bill. The Bill would place a duty on public authorities and Scottish ministers to not act incompatibly with the UNCRC. The deadline to respond is Friday 16 October.

#### **Local government news**

91. On 2 October Aberdeen City Council was named as [Local Authority of the Year](#) at The MJ Local Government Achievement Awards 2020. Aberdeen was the only Scottish authority to have been shortlisted for the awards, which celebrate achievements in local government across the UK.
92. On 6 October following proposals from Angus Council, the UK Government has [committed](#) to spending the £26.5m Angus Fund on selected projects. The fund, which is part of the Tay Cities Deal, will see £5.6m spent to promote North Angus and Montrose as a clean growth zone and a further £5.9m will be invested in low carbon projects across the region, such as utilising electric and hydrogen vehicles as low emission transport methods, and reducing the carbon impact of housing. An additional £15m of UK Government funding will support the development of agri-tech.
93. On 7 October it was [announced](#) that Highland schools are asked to self-isolate, with those eligible for free school meals to receive vouchers to cover their isolation period. Highland Council will automatically pay £15 per pupil per week.
94. On 13 October Greg Colgan was appointed as the [new chief executive of Dundee City Council](#). Mr Colgan will replace David Martin who is retiring at the end of the year.
95. On 14 October the chief executive of Aberdeenshire Council [wrote to the UK and Scottish Governments](#) requesting assistance to deal with the financial impact that Covid-19 is having on the local authority. Due to the impact of the virus, Aberdeenshire Council is expecting to be over budget by almost £30 million by the end of the 2020/21 financial year.
96. On 14 October Highland Council wrote to the Scottish Government [seeking clarification](#)

[on the future of a tourist tax](#). Councillor Maxine Smith, who chairs Highland Council's tourism committee, said the Scottish Government must clarify its long-term position on the matter, after it was excluded from the programme for government in September.

97. On 19 October the SNP's Louise McAllister was elected as an Aberdeenshire councillor in the [Ellon & District by-election](#).
98. On 21 October Aberdeen City Council launched a new [smartphone app](#) that will help people better plan and price their journeys around Aberdeen and encourage more walking or cycling. The journey planner app, called GoAbz, includes information on journey times and costs by vehicle, and offers alternative suggestions by cycling, walking and by bus or train.
99. On 20 October Moray Council received a £1.2 million grant from the Scottish Government to allow the [recruitment of 20 new teachers](#).
100. On 23 October it was noted that Aberdeen City Council, Councillor Marie Boulton was [censured](#) by the Standards Commission for disclosing confidential budget information at a public meeting.

### **COSLA**

101. On 9 October COSLA and Public Health Scotland published [guidance](#) around how to manage cases and outbreaks of coronavirus in schools.

### **Improvement Service**

102. On 5 October the Community Planning Improvement Board met to discuss the role of Community Planning in responding to the Coronavirus crisis, and to consider the added value role the CPIB can play. The CPIB also discussed the impact that Covid-19 was having on their work plan.
103. On 14 October the Improvement Service published a [document](#) that sets out five key actions that can be taken to support vulnerable people and communities during Covid-19. This further provides evidence that shows that the economic crisis caused by Covid-19 has served to exacerbate existing economic inequalities and disadvantage.

## **Scrutiny, inspection, regulatory and related bodies**

### **Scottish Public Ombudsman (SPSO)**

104. The [SPSO's Newsletter – October](#) outlines investigation reports, recent SPSO news and highlights emerging issues. More information on the SPSO's work, including detailed investigations and decision reports, is available on the [Our findings](#) webpage. The Commission's Financial Audit and Assurance Committee will consider more detailed intelligence from the SPSO on a six-monthly basis at its next meeting.

### **Scottish Housing Regulator**

105. On 28 October the Scottish Housing Regulator published their [annual report for 2019/20](#).

### **Other public policy news**

106. On 5 October the Joseph Rowntree Foundation published [Poverty in Scotland 2020](#). Researchers said Scotland was not on track to meet its interim child poverty targets, concluding that progress on tackling poverty had been "disappointing". The group

called for stronger support at the UK and Scottish levels to retain jobs and maintain benefit uplifts. The report also suggests using local authority funding to extend the Scottish Child Payment. It called on ministers to commit to an affordable housing programme to build 53,000 new affordable homes.

107. On 26 October the Scottish Recovery Taskforce published a [report](#) on actions to support tourism and hospitality recovery from the coronavirus pandemic. [Recommendations](#) include working closely with the sector on planning and compensation, progressing alternative options for Covid-19 testing to facilitate international travel, and developing a short-term package of measures to increase visitor confidence. The taskforce also favoured the extension of the business rates holiday for affected sectors and regions by a year and the creation of a skills development package to retain talent. The UK Government is asked to consider support beyond that offered under the current Job Support Scheme and to extend the VAT reduction for the hospitality and supply chain.

### **Other UK audit bodies**

108. On 1 October the National Audit Office published the [findings](#) of its investigation into how the UK Government increased the number of ventilators in response to Covid-19.
109. On 7 October the National Audit Office published its [report on improving local bus services](#) outside of London.
110. On 7 October Audit Wales published its [report](#) on the financial sustainability of local government in Wales as a result of the pandemic.
111. On 13 October Audit Wales released a [report](#) on the National Fraud Initiative in Wales for 2018-20.
112. On 13 October the Northern Ireland Audit Office published a [report](#) about generating electricity from renewable energy and the Northern Ireland Renewables Obligation.
113. On 19 October the National Audit Office published a [report](#) about the superfast broadband programme and UK broadband infrastructure.
114. On 19 October the Northern Ireland Audit Office announced that it was [consulting](#) on a revised code of audit practice.
115. On 26 October the National Audit Office published a [report](#) evaluating the success in implementing employment support schemes throughout the Covid-19 pandemic by HM Treasury and HMRC. The report finds that HM Treasury and HMRC met their objective to implement the schemes quickly and commends the departments for working ahead of schedule in their delivery. Given the quickness in delivery, it is expected there will be greater risk of fraud and error.

### **UK Government**

116. On 29 September the UK Parliament approved the [Internal Market Bill](#) by 340 votes to 256.
117. On 5 October a [joint statement](#) by Boris Johnson and the President of the European Commission on the state of play in the negotiations on the future relationship between the UK and the EU has been published. They agreed on the importance of finding an agreement as a strong basis for a strategic EU-UK relationship in the future and endorsed the assessment of both chief negotiators that while progress had been made in recent weeks, significant gaps remained, including on fisheries, the level playing field and governance.

118. On 5 October The Treasury published further [information](#) on the Job Retention Bonus (JBS). The £9bn scheme is designed to support jobs through the UK's economic recovery from coronavirus by encouraging and helping employers to retain employees who've been on furlough. Employers will still be able to claim even if they are receiving support from the recently announced Job Support Scheme. Businesses will be able to claim the JBS from Monday 15 February until the end of March.
119. On 9 October the UK Government [announced](#) an expansion of the jobs support scheme, with provision made for businesses legally required to close due to coronavirus restrictions. From Sunday 1 November, the UK Government will pay two-thirds of employees' salaries up to a maximum of £2,100 a month, where workers are placed on furlough for at least one week or more. Owners of closed businesses will be asked to continue paying national insurance and pension contributions. The government will also increase cash grants available to businesses shut in local lockdowns in England, with up to £3,000 per month payable after only two weeks of closure. New measures include businesses told to operate on a collection or delivery only basis. Devolved administrations in Scotland, Wales and Northern Ireland will receive £1.3bn in guaranteed funding for 2020-21 to allow them to continue their response to Covid-19.
120. On 12 October the Prime Minister announced [details](#) of a three tiered system in England for combatting Covid-19.
121. On 13 October the UK Government announced a [package of support](#) to help rough sleepers and those at risk of becoming homeless to keep safe over winter. Measures include a £10 million Cold Weather Fund to allow councils to provide more self-contained accommodation, £2 million for faith and community groups to provide secure accommodation, and [guidance](#) from Public Health England, Homeless Link and Housing Justice to help night shelters open more safely. [Management information](#) regarding support for rough sleeping and those at risk of rough sleeping has also been published.
122. On 15 October the Scotland Office highlighted figures from the Treasury which show businesses in Scotland have benefitted from more than £2.9bn of UK Government funding. Over 79,000 loans have supported businesses across all sectors, while 126,000 people in Scotland benefitted from the self-employed income support scheme with an average claim of £2,500.
123. On 16 October Keith Stewart was [appointed](#) as the new advocate general for Scotland. He will be given a life peerage in order to take up the post. Keith Stewart takes over from Lord Keen, who resigned in September following the introduction of the Internal Market Bill.
124. On 20 October the Ministry of Housing, Communities & Local Government opened a [consultation](#) seeking views on proposals for reforming exit payment terms for local government workers. The deadline for submissions is Monday 9 November and it is not intended to respond to this consultation.
125. On 21 October the Chancellor announced that his department will conduct a [one-year spending review](#) in order to prioritise the UK Government's response to Covid-19. The review, to conclude in late November, will set departments' resource and capital budgets for 2021-22, and devolved administrations' block grants for the same period. The review will likely focus on prioritising spending for departments, public services and infrastructure projects.
126. On 22 October the Chancellor the chancellor announced [three further measures](#) of economic support for areas in England currently under restrictions:

- Business Grants:
  - A new grant scheme for businesses affected by Tier 2 restrictions will be provided to local authorities, amounting to payments of £2,100 per month.
  - The funding will be made available to local authorities for them to decide how to best allocate grants for their area.
  - This grant will be retrospective, with payments being backdated to August.
- Job Support Scheme (JSS):
  - The Job Support Scheme (JSS) will be altered so that more support will be given to businesses that can remain open.
  - The number of hours an employee needs to work to be eligible to enter the JSS will be reduced from 33% to 20% of their hours.
  - Employer contribution to the hours not worked will reduce from 33% to 5%.
  - For Tier 3 areas, the government will cover the full cost of employers paying two-thirds of people's salaries where they cannot work for a week or more.
  - Employers will continue to receive the £1,000 Job Retention Bonus.
- Self-Employed:
  - The forthcoming self-employed grants will increase from 20% to 40% of people's income. This will increase the maximum grant from £1,875 to £3,75.

The Scottish Government's Cabinet Secretary for Finance called on the consequential funding from the support measures being given to English local authorities to be given to the devolved administrations.

127. On 26 October the UK Government opened a new walk-through coronavirus testing centre in Inverness, located at the Highland Council Headquarters car park. It is operated by Mitie on behalf of the UK Government. In Scotland, there are currently six drive-through sites, 11 walk-through sites and 21 mobile units to process Covid-19 tests.

### **Other UK news**

128. On 14 October the OECD published a [survey](#) of the UK economy. Following the first lockdown, it concludes "the country now faces a prolonged period of disruption to activity and jobs, which risks exacerbating pre-existing weak productivity growth, inequalities, child poverty and regional disparities". It said ongoing measures to tackle the pandemic would need to be carefully managed with a view to their economic consequences.
129. On 15 October the UK Parliament's Scottish Affairs Committee launched an [inquiry into welfare policy in Scotland](#). The inquiry will examine the impact of welfare policies on claimants across Scotland; poverty and inequality levels more broadly; the effectiveness of Scottish Choices in welfare payments; and the impact of Universal Credit policies unique to Scotland. The deadline to submit evidence is Wednesday 2 December.
130. On 18 October ratings agency [Moody's](#) downgraded the UK's credit rating for the third time in eight years. The agency announced it had downgraded the UK government's

long-term issuer and senior unsecured ratings to Aa3 from Aa2.

131. On 22 October the Scottish Affairs Committee published its [second report](#) into coronavirus and Scotland. The report forms part of the committee's ongoing inquiry into the challenges facing Scotland as a result of the pandemic and follows on from its [interim report into intergovernmental working](#) during the crisis, published in July. The report covers topics such as intergovernmental working; health; the economy; immigration; logistics; and exports across fishing, food and drink and oil and gas. The committee recommends the government should plan for future pandemics by considering immigration, supply chain and export challenges, annually reviewing planning and ensuring increased intergovernmental collaboration. The report also highlights a shortage of key workers which could lead to difficulties sourcing health and social care staff.

## **Conclusion**

132. The Commission is invited to consider and note this report, and in particular to agree:

- To note that the Commission will consider its response at a future meeting to the Scottish Government consultation on the Councillor's Code of Conduct (paragraph 16).
- That the Commission does not respond to the Scottish Government consultation about the designation of IJBs as category 1 responders under Schedule 2 of the Civil Contingencies Act 2004 (paragraph 27).
- That the Commission does not respond to the Scottish Government consultation on the proposed launch of a new scheme providing free bus travel for young people resident in Scotland under the age of 19 (paragraph 40).
- To note that the Chair will agree a response to the Scottish Government consultation on the guidance and toolkit for completing an Island Communities Impact Assessment. and share with members for their information (paragraph 44).
- To note that I will report to a future meeting on a response to the Scottish Government consultation on delivering a refreshed digital strategy for Scotland (paragraph 57).
- That the Commission does not respond to the Scottish Government consultation on the Fair Rents (Scotland) Bill (paragraph 80).
- That the Commission does not respond to the UK Ministry of Housing, Communities & Local Government consultation on proposals for reforming exit payment terms for local government workers (paragraph 124).

**Paul Reilly**  
**Secretary to the Commission**  
**4 November 2020**

## **APPENDIX: Accounts Commission reports in past 12 months – downloads**

<b>Report</b>	<b>Date</b>	<b>Report downlds</b>	<b>Podcast downlds</b>
<a href="#">Best Value Assurance Report: Aberdeenshire Council</a>	22 Oct 20	303 (n/a)	n/a
<a href="#">Best Value Assurance Report: Dundee City Council</a>	29 Sept 20	257 (n/a)	n/a
<a href="#">Best Value Assurance Report: Moray Council</a>	27 Aug 20	954 (+303)	n/a
<a href="#">Accounts Commission annual report 2019/20</a>	2 July 20	314 (*)	n/a
<a href="#">Best Value Assurance Report: North Ayrshire Council</a>	30 June 20	686 (+105)	n/a
<a href="#">Local government in Scotland Overview 2020</a>	23 June 20	903 (+169)	n/a
<a href="#">Equal pay in councils - Impact report</a>	9 June 20	466 (*)	n/a
<a href="#">Best Value Assurance Report: Argyll and Bute Council</a>	21 May 20	709 (+60)	n/a
<a href="#">Affordable Housing</a>	9 April 20	1,482 (+241)	n/a
<a href="#">The 2018/19 audit of Renfrewshire Council: Report on accounts closure</a>	24 Mar 20	240 (*)	n/a
<a href="#">Early learning and childcare: follow-up</a>	3 Mar 20	1,809 (+196)	143 (*)
<a href="#">2018/19 audit of Fife IJB</a>	27 Feb 20	408 (+49)	n/a
<a href="#">2018/19 audit of Glasgow City Council: Update on equal pay settlement</a>	6 Feb 20	369 (*)	n/a
<a href="#">Privately financed infrastructure investment</a>	28 Jan 20	1,592 (*)	210 (*)
<a href="#">Highland Council: Best Value Assurance Report</a>	23 Jan 20	1,525 (+83)	357 (*)
<a href="#">Scotland's City Region and Growth Deals</a>	16 Jan 20	2,335 (+94)	173 (*)
<a href="#">Scotland's City Region and Growth Deals - Supplement</a>	16 Jan 20	272 (*)	n/a
<a href="#">Self-directed support: 2017 progress report - impact</a>	17 Dec 19	607 (+340)	n/a
<a href="#">Local government in Scotland: Financial overview 2018/19</a>	17 Dec 19	3,425 (+312)	295 (*)
<a href="#">Scottish Borders Council: Best Value Assurance Report</a>	22 Oct 19	1,219 (+43)	212 (*)

### **Key:**

(x) Increase in numbers since last month

\* This figure is below 30

n/a Not applicable.