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News release

EMBARGOED until 00:01 hours, Tuesday 17 December 2019

Council budgets straining to keep pace with demand

Most of Scotland's 32 councils are increasingly relying on money from reserves to keep up with demand for services and balance their budgets.

A report today from the Accounts Commission, Scotland's national watchdog for local government, says the financial pressures are likely to get worse. Demand for services continues to grow, funding for councils from the Scottish Government has reduced by 7.6 per cent since 2013/14 and is forecast to reduce further.

The report, Local Government in Scotland, also says Integration Joint Boards are struggling to balance their budgets; in 2018/19, 19 of Scotland's 30 IJBs needed additional funding, or recorded deficits.

Graham Sharp, chair of the Accounts Commission, said: "We urgently need much faster progress in the reform of our health and social care services. The current position is increasingly unsustainable.

"There's a need for councils to continue rethinking how they deliver services, as well as look at ways to increase their income. For some councils in Scotland, finding ways to do this is getting more and more difficult as their current income doesn't match demand."

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Notes to editors

- 1. Audit Scotland has prepared this report for the Accounts Commission. All Audit Scotland reports published since 2000 are available at www.audit-scotland.gov.uk
- The Accounts Commission is the public spending watchdog for local government. It holds councils and various joint boards and committees in Scotland to account and help them improve. It operates impartially and independently of councils and of the Scottish Government, and meets and reports in public
- Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act, 2000. It provides services to the Auditor General for Scotland and the Accounts Commission for Scotland.