

Our work, your views

Consultation on the Accounts Commission's work and priorities



ACCOUNTS COMMISSION 

Prepared by Audit Scotland
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Chair's introduction

As resources tighten across the public sector, an ongoing focus on ensuring public money is spent well to meet the needs of Scotland's people becomes even more important. This commitment is set out in [Public audit in Scotland](#), our shared statement of purpose with the Auditor General for Scotland. The Accounts Commission's work is a key part of an 'early warning' system, highlighting financial concerns and wider issues and challenges facing local government.

The Commission also works with the Auditor General, recognising that persistent challenges often need to be looked at across public services and not always within local government alone. The Scottish Government's new [Public Service Reform strategy](#) will be an important reference point for us all as we look at what service should and need to look like in the future and how audit work can support improvement.

The Commission is working with Audit Scotland to plan our performance audit work programme for 2026 onwards, and we want to ensure our resources are used in a way that meets the needs of taxpayers, service users, politicians, councils and other stakeholders across Scotland so there is ongoing trust and confidence in our work. Only by understanding what is important to our stakeholders can performance audit work be delivered that adds value, is credible and can support improvement. We will consult on our future Best Value audit work separately in due course.

This document sets out a summary of our recent, forthcoming, and proposed performance audit work. We want to hear from as many of our stakeholders as possible about how we could address areas of interest, risk or concern, or areas stakeholders believe are not addressed by our proposed audit work. We don't always need to produce a 'full' audit report; recently, we've produced blogs (for example on [Council Tax](#)), short reports, and interactive tools (in relation to [Integration Joint Board finances](#)). The views of our stakeholders can influence how we use our resources to support improvement, share good practice, stimulate debate and continue to hold those who spend public money to account.

We'd like to hear your views on the consultation questions [via our short survey](#), or alternatively via email to ACSupport@audit-scotland.gov.uk, no later than Friday 15 August. We would also be happy to meet with stakeholders to discuss – please email the above address to arrange. Thank you for your time and consideration.

Jo Armstrong
Chair of the Accounts Commission for Scotland

Accounts Commission's role

- 1.** Our purpose is to hold councils and other local government bodies in Scotland to account for their performance and spending, and to support improvement. We do this by scrutinising and reporting publicly on the audit work we commission (both financial audit and performance audit) and making recommendations. Importantly, key messages and recommendations are based on robust audit evidence.
- 2.** We are passionate about helping to improve the services used by people across Scotland every day. As well as highlighting issues, we also shine a spotlight on strong leadership, governance and performance. Learn more about our role at <https://audit.scot/accounts-commission>.
- 3.** The Commission's work is a key part of an 'early warning' system, where we examine audit evidence and highlight financial concerns or wider issues such as leadership, performance and governance. And we also seek to highlight emerging issues by drawing on audit intelligence and trend analysis and presenting this as part of our overview reporting – a recent example is our [Local government budgets 2025/26](#) report.
- 4.** We want our stakeholders – service users, taxpayers, politicians, councils and partners – to trust and have confidence in our work. Only by understanding what is important to them can work be delivered that adds value, is credible and can support improvement.
- 5.** This short document sets out a summary of our recent, forthcoming, and proposed performance audit work and we would welcome your views on the questions posed at the end of each section.

Our recent reporting and impact

6. We report on how well councils manage their finances, and on how well they achieve Best Value in their use of public money. In recent months, we've reported on Best Value in the following councils: City of Edinburgh, Scottish Borders, East Renfrewshire, Fife, Argyll and Bute, Highland, and Renfrewshire. Some common themes across these reports are the need for medium term financial strategies, community engagement and transparency, workforce and skills planning (including digital skills and capacity) and the need for deeper partnership working and collaboration.

7. We will continue with a [full programme](#) of financial and Best Value reporting during 2025 and 2026.

8. Our series of overview reporting on council finances and health and social care are an important part of our work. Recent publications include:

- [Local government financial bulletin 2023/24](#)
Our detailed annual analysis of council finances
- [Transformation in councils](#)
A national report focused on the need for councils to make major changes to how they provide services
- [Integration Joint Boards' Finance and performance 2024](#)
Our full annual review of community health and social care
- [Integration Joint Boards' Finance Bulletin 2023/24](#)
This includes an interactive tool allowing users to explore data for the whole of Scotland and their local area
- [Local government budgets 2025/26](#)
An early assessment of councils' budgets for the current year

9. Increasingly, we are reporting on issues that impact people's quality of life and the services they use and rely on. This sometimes involves working with the Auditor General for Scotland and making recommendations to local government and partners, such as Scottish Government, Transport Scotland, COSLA. Some recent examples are included in [Exhibit 1](#) below.

Exhibit 1

Recent reports

| Report | Key message |
|--|---|
| Tackling digital exclusion August 2024 | One in six Scottish adults lacks the digital skills needed for everyday life so as key services move online, all public bodies must ensure everyone has access. |
| Alcohol and drug services October 2024 | With more than 23,000 lives lost to drug and alcohol related causes since 2013, and funding doubling over the last ten years, partners need to work differently and at pace. |
| Sustainable transport January 2025 | Car use has rebounded since the Covid-19 pandemic. It is unlikely that targets to reduce car use will be met. Collective leadership, accountability and governance is required, and councils have a key role. |
| Additional support for learning February 2025 | Given rising numbers of pupils requiring additional support for learning, Scottish Government and councils must fundamentally rethink how they plan, fund and staff this. |

QUESTIONS

1. To what extent have our recent reports and recommendations been considered or used within your organisation or across your sector to support improvement?
2. If applicable, can you provide any examples? (Optional)
3. Do you have any comments or feedback about the formats of our recent publications?

Our work programme up until early 2026

10. We have a planned performance audit work programme in place up until the Scottish Parliament pre-election period early next year. [Exhibit 2](#) sets out what is planned and why.

Exhibit 2

A selection of forthcoming reports

| What | Why |
|---|---|
| Climate change response and adaptation – Building flood resilience in communities (August 2025) | Communities need to adapt to the impacts of climate change. But how well are public bodies working together and with local communities to build resilience to flooding, and are the required resources in place? |
| Best Value – Responding to the workforce challenge (August 2025) | All councils face recruitment and retention challenges. There is some positive progress, but more needs done to embrace innovation, digital technology and share learning and insights. |
| Neighbourhood services – Service spotlight: Culture and leisure services (October 2025) | These services are valued by communities and have the potential to prevent ill-health but have been hit hard by cuts. How are these services being delivered and what's next? |
| Education and children's services – Improving care experience: Delivering the Promise (October 2025) | Delivering the Promise by 2030 means changing how services are provided for those with experience of care. Progress has been made but not fast enough. What are the main enablers and barriers? |
| Health and social finance and performance – Community health and social care performance 2025 (November 2025) | With growing demand, the finances and performance of the bodies that commission health and social care services are precarious, impacting the most vulnerable. What can be done to address future sustainability? |

| What | Why |
|---|---|
| Health and social care services – Delayed discharges (January 2026) | Being delayed in hospital not only impacts hospital capacity but people's wellbeing. How well is the challenge of reducing hospital delayed discharges being addressed? |
| Local government finance and performance – Local government financial bulletin 2024/25 (January 2026) | Assessing councils' financial performance in 2024/25, and ongoing financial sustainability, based on their audited accounts, in light of ongoing pressures. |




QUESTIONS

4. In which of our current areas of work do you think the Accounts Commission can have the most impact?
5. What else could the Commission do, alongside publication of our reports, to maximise impact and support improvement in these areas?
6. Please provide any comments relating to this section. (Optional)

Recurring themes and key questions

11. Some recurring themes and key questions have emerged across our recent reports and should influence what we'll focus on. See [Exhibit 3](#).

Exhibit 3 Recurring themes from recent reports

| Theme | Key question | Context |
|--|--|---|
|  Financial sustainability | How financially sustainable are councils and Integration Joint Boards (IJBs)? | The Scottish Fiscal Commission has made it clear that projections for funding and demand are extremely challenging. Changes need to be made to ensure financial sustainability but do communities understand the reasons for the decisions being taken? And do they have a say? |
|  Reform and prevention | Is enough being done to reshape and reform services and focus on prevention? | Councils and partners are changing the way they deliver service to address immediate cost pressures, but are they looking at doing things differently to focus on prevention, which will reduce costs and demand, but also improve outcomes? Is collaboration happening across council and organisational boundaries? |
|  Performance and outcomes | Given the financial context, how are councils performing and what impact is their performance having on outcomes for people and communities? | With financial challenges ahead, decisions taken by councils will continue to impact service performance and outcomes for individuals and communities. Are councils being transparent about the impacts and is public reporting accessible and informative? |





12. Although presented separately, each of these questions are interlinked. For example, plans to ensure that an IJB is financially sustainable may impact the services that can and cannot be provided locally.

Proposals from 2026 onwards

13. Over recent months, the Commission has examined the key risks and issues facing local government, intelligence and recurring themes from audit work, and changes in national policy. It has also engaged with key local government stakeholders including Solace, Directors of Finance, COSLA and the Improvement Service.

14. Exhibit 4 sets out areas the Commission believes are essential to focus on in 2026, given the current context.

Exhibit 4 Essential future work






| Theme | Planned work | Rationale |
|--|--|--|
|  <p>Financial sustainability</p> | Local government finance and performance | Each year, the settlement for councils is under pressure; pay, other rising costs, and increasing demand. How do services need to change and adapt? |
|  <p>Financial sustainability</p> | Health and social care finance and performance | With an ageing population with increasingly complex conditions, councils' spending is increasing but unlikely to keep up with demand. How can services change and adapt? Are the right structures in place to enable decision making about change? |
|  <p>Reform and prevention</p> | Best Value (2024/25): Transformation in councils | Councils are changing the way they deliver service to reduce demand and costs. Can good practice be shared and adapted? |
|  <p>Financial sustainability</p> | Best Value (2025/26): Asset management in councils | Councils spend significant money managing buildings and assets. How is this being managed, whilst maintaining high quality services and addressing climate change? |








15. Currently, our planned essential work focuses on financial sustainability and reform and prevention. [Exhibit 5](#) sets out proposals for future performance audit work to address all three themes.


16. We cannot cover everything, so we want to hear from you about what you consider important.

Exhibit 5

Proposals for future audit work

| Theme | Subject area | Rationale |
|---|---|--|
|  Financial sustainability | Local taxation and/or revenue generation by local authorities | With council finances under strain, does local taxation need to be explored further? What are councils doing or planning to raise revenue? |
|  Financial sustainability | Planning | With a direct link to housing and economic development, is the planning system delivering what communities and the economy needs? |
|  Financial sustainability | Economic development | Are councils able to stimulate economic development at the scale required, with the resources they have? |
|  Reform and prevention | Digital transformation in local government | How can local government make the most of technology; does it have the capacity to respond? Is there a leadership role for SG? |
|  Reform and prevention | Community planning partnerships (CPPs) | We've done audit work on CPPs on the past; is there value in revisiting our previous work, especially as resources tighten for all partners? |

| Theme | Subject area | Rationale |
|--|---|--|
|  Reform and prevention | Employability and labour market | What's being done by councils and partners to ensure we have the right people with the right skills in the right place? |
|  Reform and prevention | Neighbourhood services (such as waste and recycling, roads and parks) | These essential services are at the heart of how councils serve their communities, but their budgets are often squeezed. Are these services sustainable in their current form? |
|  Reform and prevention | Housing and homelessness | Scotland is facing a housing emergency. Are local targets for housing and homelessness being met? |
|  Reform and prevention | Community justice and reducing reoffending | Evidence shows that outcomes are poor for those who re-offend. Are resources across public services being used as well as they could be? |
|  Performance and outcomes | School education | Over 50% of council budgets are spent on education. Is there an understanding about why there is such variation in outcomes? |
|  Performance and outcomes | Early learning and childcare outcomes | Is this flagship policy delivering the widest benefits possible to children, families and the wider economy? |
|  Performance and outcomes | Health and social care services (including eligibility and reform) | As finances tighten and demand increases, councils are reviewing who is eligible for services. What impact will this have on wellbeing? |

| Theme | Subject area | Rationale |
|--|---------------|--|
|  <p>Performance and outcomes</p> | Child poverty | Despite this being a priority for Scottish and local governments, outcomes are not improving. Which policies are having the best impact? |

QUESTIONS

7. Which of the areas under consideration for our future work do you think most urgently require attention from the Accounts Commission to highlight issues and support improvement?
8. In what ways could we best support you or your organisation in the areas you selected in answer to the question above?
9. Please provide any comments relating to this section. (Optional)

Your views

17. We would like to hear your views on the consultation questions, set out below, [via our short survey](#) no later than Friday 15 August. Alternatively, you can respond via email to ACSupport@audit-scotland.gov.uk.

18. If you would like to meet with us to discuss this paper on behalf of your organisation, we would be happy to do so, before 15 August. Please contact ACSupport@audit-scotland.gov.uk to arrange.

Our recent reporting and impact

- 1.** To what extent have our recent reports and recommendations been considered or used within your organisation or across your sector to support improvement?
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Our work programme up until early 2026

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Proposals from 2026 onwards

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