

# Agenda

Thursday 14 December 2023, 9.30am  
Audit Scotland offices, 102 West Port,  
Edinburgh, and online via Microsoft Teams  
505<sup>th</sup> meeting of the Accounts Commission

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1. Apologies for absence
  2. Declaration of connections
  3. Order of business  
The Chair seeks approval of business, including proposing taking items 11 to 18 in private for the reasons set out on the agenda.
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## Business requiring decisions in public

4. Minutes of meeting of 9 November 2023 Secretary
  5. Minutes of November Committee meetings Secretary
  6. Best Value Report: Dumfries and Galloway Council Controller of Audit
  7. Shetland BVAR update Controller of Audit
  8. Dynamic work programme update: stock check against priorities Executive Director of PABV
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## Business for information in public

9. Secretary's update report Secretary
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## Any other public business

10. Any other public business Chair  
The Chair will advise if there is any other public business to be considered by the Commission.
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## Business for information in private

11. Chair's update report Chair
12. Controller of Audit's update report – verbal update Controller of Audit

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## Business requiring decisions in private

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|---|------------------------------|
| <b>13. Best Value Report: Dumfries and Galloway Council</b><br>[Item to be taken in private as it requires the Commission to consider confidential policy matters.]               | Controller of Audit          |
| <b>14. Local Government Financial Bulletin draft report</b><br>[Item to be taken in private as it requires the Commission to consider confidential policy matters.]               | Audit Director, PABV         |
| <b>15. Statutory Performance Information (SPI) Direction 2024 scoping</b><br>[Item to be taken in private as it requires the Commission to consider confidential policy matters.] | Audit Director, PABV         |
| <b>16. Q2 Corporate performance report</b><br>[Item to be taken in private as it requires the Commission to consider confidential policy matters.]                                | Chief Operating Officer      |
| <b>17. Local Government audit fees 2023/24</b><br>[Item to be taken in private as it requires the Commission to consider confidential policy matters.]                            | Corporate Finance<br>Manager |

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## Any other private business

- 18. Any other private business**  
[Item may be required if there are any confidential matters that require to be discussed out with the public domain. The Chair will inform the meeting in public at the start of the meeting if this item is required and what it covers.]

# Minutes and matters arising from previous meeting

Secretary to the Accounts Commission

**Item 4**  
Meeting date: 14 December 2023

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## Purpose

1. This paper presents for the Commission's approval the draft minutes of the previous meeting of the Commission along with a summary of matters arising from those minutes.

## Recommendations

2. The Commission is asked to:
  - Approve the attached draft minute of its previous meeting.
  - Consider any matters arising from the draft minute.

## Minutes

3. The minute of the previous meeting is in Appendix 1.
4. Members should note that the action tracker – available on the member SharePoint site and provided to members monthly – provides updates on progress from previous meetings.

# Minutes

Thursday 9 November 2023, 9.30am

Audit Scotland offices, 102 West Port, Edinburgh, and  
online via Microsoft Teams

504<sup>th</sup> meeting of the Accounts Commission

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## Present:

Ronnie Hinds (Interim Chair)  
Malcolm Bell  
Nichola Brown  
Andrew Burns  
Andrew Cowie  
Jennifer Henderson  
Christine Lester  
Angela Leitch  
Ruth MacLeod  
Mike Neilson  
Derek Yule  
Carol Evans

## In attendance:

Helena Gray, Controller of Audit  
Allan Campbell, Secretary to the Accounts Commission  
Fiona Mitchell Knight, Audit Director (items 5 and 12)  
Richard Smith, Senior Audit Manager, Audit Services (items 5 and 10)  
Mark Johnstone, Senior Auditor, Audit Services (items 5 and 10)  
Tracy Jones, Auditor, Performance Audit and Best Value (items 5 and 10)  
Antony Clark, Executive Director of Performance Audit and Best Value (items 11, 12 and 14)  
Mark Taylor, Audit Director, Performance Audit and Best Value (item 11)  
Jillian Matthew, Senior Manager, Performance Audit and Best Value (items 11 and 14)  
Michelle Borland, Head of Organisation Improvement, Innovation and Quality (item 12)  
Tricia Meldrum, Senior Manager, Performance Audit and Best Value (item 14)  
Vicki Bibby, Chief Operating Officer (item 15)

## 1. Apologies for absence

No apologies for absence had been received.

## 2. Declaration of connections

The following declarations of connection were noted:

- Jennifer Henderson declared a connection in relation to item 11, in relation to being Chief Executive of a public body (which is within the scope of the audit) and having previously sat on the Scottish Government's Digital Board. Her present and past roles were not sufficiently material connections to the subject matter under discussion.
- Michael Neilson declared a connection in relation to item 11, having been a Director within the Scottish Government with responsibility for digital inclusion between 2012 and 2016. This role was not a sufficiently material connection to the subject matter under discussion.

- Helena Gray declared a connection in relation to item 5, in her previous role as Director of Fair Work, Employability and Skills within Scottish Government had some engagement with Dundee City Council and the child poverty pathfinders. This past role was not a sufficiently material connection to the subject matter under discussion.
- Carol Evans declared a connection in relation to item 6 as she has been involved in some of the SSSC consultations and focus groups as an employer / user of their services. This role was not a sufficiently material connection to the subject matter under discussion.

### **3. Order of business**

It was agreed that the following items be considered in private:

- Items 8 to 16, as they required the Commission to consider confidential policy matters.

### **4. Minutes of meeting of 12 October 2023**

The Commission considered a report by the Secretary presenting the minutes of the meeting of 12 October 2023, including a summary of business arising from the minutes.

Christine Lester asked for it to be made clear in the minutes that the Commission delegated the production of the findings on the Best Value report to the Interim Chair and the Secretary.

With no further comments, the minutes of the meeting were approved as a correct record.

### **5. Best Value in Dundee City Council**

The Commission considered a report by the Controller of Audit on Best Value in Dundee City Council (DCC).

During discussion,

- The Controller of Audit introduced the report highlighting the steady pace of improvement at the council. It was also advised that DCC had implemented all the recommendations from the previous Best Value report published in 2020. Commission members praised DCC, with one member describing the report as one of the most positive they had seen during their time with the Commission.
- The Controller of Audit was asked for examples of areas in which DCC is an exemplar, and highlighted its performance reporting, which clearly complies with the Statutory Performance Information Direction. She explained that DCC compares and benchmarks itself against its 'family group' of 8 councils, with which DCC has close links, and meets its target on 19 out of 36 indicators of performance. There was also broader discussion about partnership working, and what DCC is doing – and what more it could do – to share its approach and any lessons learned with other councils
- The audit team was asked why, despite all the good work being done by DCC which is highlighted in the report, the council area is still seeing high drug deaths, high levels of inequality and low educational attainment. The Controller of Audit explained that, in relation to drug deaths, work is led by the Integration Joint Board through the Alcohol and Drug Partnership, and that in general DCC recognises the challenges and is working with partners to address them, but that improved outcomes will take time.

- In relation to capital budgets, the audit team explained that underspends had been due to reprofiling of capital projects, and that DCC is on course to spend a greater proportion of its capital budget in 2023/24. Underspends in other areas were also likely to be due to timing issues. Regarding the projected cumulative budget gap, it was highlighted that in 2022, the projected gap had been £45 million, so this had decreased to the figure of £38 million stated in the report.
- Regarding Participatory Budgeting (PB), the audit team explained that although DCC is not meeting its target of using PB for 1% of its budget, where it is in place it is doing well, with thorough engagement and consultation with communities. However, with recent additional examples of PB, and the budget consultation that is now being undertaken to identify potential savings, it may now have reached the 1% target.

After discussion, the Commission agreed to consider in private how to respond to the report.

## 6. Secretary's update report

The Commission considered a report by the Secretary to the Accounts Commission providing an update on significant recent activity relating to local government.

During discussion,

- It was agreed that the Local Government Financial Bulletin would be an opportunity for the Commission to comment, if required, on the issue of the Council Tax freeze in terms of its potential impact on council finances.
- It was suggested that the Commission could do more to raise its profile by commenting on or responding to issues or stories as they arise, rather than only doing so in subsequent reports. The Secretary provided reassurance to the Commission that the Support Team, in conjunction with the Audit Scotland Communications Team, kept these matters under consideration and prepared appropriate briefings for the Chair.
- In response to a query received prior to the meeting, the Secretary explained that the 'call for ideas' from the Improvement Service, highlighted in paragraph 14.2 of the report, was an informal exercise that did not require a response from the Commission. The Secretary also suggested to members that responses were not required to the formal consultations highlighted in this month's report.

Following discussion:

- The Commission agreed that responses were not required to the consultations highlighted in the report.

## 7. Any other public business

The Chair, having advised that there was no business for this item, closed the public part of the meeting.

## 8. Chair's update report

The Commission considered a report by the Chair providing an update on recent and upcoming activity.

Following discussion, the Commission:

- Noted the report.

## 9. Controller of Audit's update report

The Commission considered a report by the Controller of Audit providing an update on recent and upcoming activity. The Controller of Audit also asked members for their views on which aspects of her report are most valuable to the Commission.

During discussion,

- The Controller of Audit explained that 33% of local government audits for 2022/23 had been completed as of 1st November 2023 (compared to 41% this time last year), but the vast majority of audits are due to be signed off by the end of December 2023. More detail on audit completion overall will be provided in the Audit Scotland Q2 report, to be presented at the December Commission meeting.
- The Controller of Audit confirmed that a section 102 report on Renfrewshire Council will be presented to the Commission at the December meeting. This report is in relation to school provision at Dargavel and will focus on the council's response to the independent inquiry that the council had commissioned, which reported earlier this year.

Following discussion:

- It was agreed that the Commission valued the insight and analysis that the Controller of Audit brings through this item, whether in the written report and/or verbally, and it was for the Controller to decide how best to communicate updates in future.
- It was agreed that the scope of all Commission audits and reports would be shared with all members via the members' SharePoint site once they had been agreed.

**Action: Commission Support Team**

## 10. Best Value in Dundee City Council

The Commission considered its response to the report by the Controller of Audit on Best Value in Dundee City Council (DCC).

Following discussion, the Commission agreed to make findings to be published on 30 November 2023; the drafting of those findings would be delegated to the Interim Chair and the Secretary on behalf of the Commission and would then be circulated to all members for comment, with responsibility for final sign-off resting with the Interim Chair.

In discussing what the findings should include, the following general points were raised:

- DCC is making good progress, which it needs to sustain and continue in the coming years, and has implemented all the recommendations in the 2020 Best Value Assurance Report
- DCC has demonstrated effective leadership and a clear vision and plan for the future which it has communicated clearly; this has not been adversely affected by recent changes in leadership
- There are lessons for other councils to learn, and DCC could share insights on its approach and the work it has done



- There are still significant challenges in the city around drug deaths, educational attainment and inequalities, which DCC is taking action to address but it needs to maintain this focus
- DCC has good public performance reporting, which meets the requirements of the Commission's Statutory Performance Information Direction
- The council has shown good financial management, but it still faces a challenge in terms of its financial position for the coming years
- DCC is working well with partners to deliver demonstrable outcomes, such as through the pathfinder project, and has shown a commitment to engaging with communities

## 11. Emerging Messages – Digital Exclusion Performance Audit

The Commission considered a paper by the Executive Director of Performance Audit and Best Value (PABV) on emerging messages from the Digital Exclusion performance audit.

During discussion,

- Nichola Brown, one of the audit sponsors, advised members she is content with the emerging messages and supported the human-rights perspective used. She commented on the emerging default approach since the pandemic of providing services online, and it was agreed the audit will demonstrate the inequalities arising as a result. Additionally, Nichola said there is a need to build on what has been learnt from the audit team's engagement with people with lived experience; Nichola also highlighted the potentially unsustainable reliance on the third sector that had been identified through the audit work.
- The difficulty of framing recommendations that are feasible to implement without creating additional, excess financial burden was discussed. Antony Clark referred to current work being done to ensure recommendations from audits are achievable and measurable. Financial implications of digital exclusion for individuals were also highlighted, for example where people may be given devices but don't have the funds to continue using them.
- The question of whether and how the scale of exclusion can be measured were raised, including the extent to which exclusion is caused by individual or multiple factors, and what data is available to inform this. Jillian Matthew responded that while the scale is relatively small in terms of the proportion of the population affected, the scale of the impact on those people is significant.
- The reduction in the budget for Connecting Scotland, and consequently the number of households it can support, was highlighted – from £200 million and 300,000 households to £9m and 16,000 households. The audit team's work to incorporate rural and island communities' experience was warmly welcomed, including specific work to involve Tiree.
- The availability of data on people excluded due to reasons other than connectivity – for example cognitive issues such as dementia and individuals with additional learning requirements – was queried. Mark Taylor responded that the approach within the audit has been to take individual experiences like these and then investigate and 'test' how services respond to them, rather than taking a general, 'top-down' approach. Jillian Matthew added that while it was too late for any additional fieldwork in this area, the audit team is working with organisations representing, for example, people with learning disabilities. The audit team was asked whether they had considered the relative performance or quality of services provided via digital and non-digital means, and whether digital exclusion was being considered in the drafting of new legislation or other provisions in which there is



scope to mandate the nature of service provision. Antony Clark stated that the audit team would think about the question of relative service quality but cautioned against getting into policy-related issues. Others in the audit team added that their focus was on ensuring the protection of rights, and the Equality Impact Assessments – provided they are used effectively – have a role to play in this regard.

- The issue of a lack of joining up between datasets, which would avoid the need for people to provide data several times and/or multiple entry of data, was raised, with a view that this would support connectivity and accessibility. Antony Clark and Mark Taylor replied that this is a wide-ranging issue that may be the subject of future audit work.

Following discussion, the Commission

- Agreed that the findings from the audit will have importance for a wide range of public bodies and organisations.
- Agreed to evaluate how the final report will be promoted to the public and communities, with different outputs for different audiences including via non-digital means.
- Agreed that there may be opportunities through promotion and engagement to highlight some of the wider issues raised that may not be directly covered by the audit.

## 12. Strategy and work programme: Six-monthly impact report

The Commission considered a paper by the Executive Director of PABV on the Strategy and Work programme: Six-monthly impact report.

During discussion,

- The difficulty of measuring the success of recommendations addressed to multiple bodies was queried, with a suggestion that either they can be, or if not, recommendations should all be addressed to individual bodies instead. The challenge of measuring culture was also raised, with possible approaches discussed. Antony Clark reassured members that work was continuing on the issue of joint recommendations, including looking at which body has lead responsibility for implementing them, and the role of representative bodies. Michelle Borland added that there is a focus on ensuring that audit teams have a plan at the time of publication for how they will follow up on the recommendations that are made.
- It was suggested that trend data, for example showing levels of social media engagement achieved in relation to different reports over time, would shed more light on what numbers are good or less good and show whether there has been improvement over time. Antony Clark agreed to work with the Communications Team to look at including this in the next impact report.

### Action – Executive Director of PABV and Communications Manager

- The exclusion from the scope of the impact report of the Housing Benefit performance audit was queried, as well as whether impact measurement would be applied to the work of the contracted audit firms, with the potential need to provide relevant training or guidance. Antony Clark explained that the impact reporting is currently focused on the performance audit work of the PABV team and will in future be extended to Annual Audit work, although this will involve a different set of considerations.

- In response to a question about whether Audit Scotland receives feedback from public bodies on ways in which their behaviour is influenced by a particular audit report, Antony Clark explained that teams do get a lot of feedback, most of which is positive. However, the key consideration for audit teams when publishing is whether the work has had the appropriate level of scrutiny and challenge, more than how well it is received.
- The potential for a preventative impact because of reports and media coverage was also raised – the extent to which organisations follow recommendations or lessons learned from reports on other bodies and adapt their actions accordingly. Antony Clark responded that this is of course hard to measure or evaluate, but that there is a potential role for the Improvement Service in this area.

Following discussion, the Commission

- Noted the progress that has been made in implementing the impact monitoring, evaluation and reporting framework.

### **13. New Strategic Priorities and updates to Strategy**

The Commission considered an update by the Secretary to the Accounts Commission on new Strategic Priorities and updates to its Strategy.

During discussion, a number of further minor amendments to the Strategy were suggested, including:

- Renaming the 'Funding' priority to better capture its broader finance-related scope
- Adding references to Integration Joint Boards (IJBs) alongside councils
- Incorporating 'efficiency and effectiveness' within the 'Reform' priority
- Making reference to the Commission's aim of supporting improvement in, as well as reporting on, performance.

Following discussion, the Commission

- Approved the new set of 5 strategic priorities and associated wording, and the other proposed updates and amendments to the Strategy, subject to the amendments discussed.
- Agreed that the Secretary would arrange for these amendments to be made and shared with Commission members by correspondence.

### **14. Service User Engagement**

The Commission considered an update by the Executive Director of PABV on Service User Engagement.

During discussion,

- The Commission queried whether audited bodies' existing data is utilised for audit purposes. Antony Clark confirmed this is common practice, as well as using additional 3<sup>rd</sup>

party data. Additionally, Jillian Matthew confirmed the use of reference panels has been incorporated into some areas of work.

- The Commission sought further detail on the make-up of the Youth Advisory Panel, including the extent to which it includes young people with additional support needs.
- The Commission also discussed how to reach hard to reach communities, and recognised the difficulties and resources involved in doing so meaningfully. Despite this, the Commission recognised the importance and value of this work.
- Antony Clark confirmed the use of other data sources and areas, to ensure that data isn't being duplicated.

Following discussion, the Commission

- It was agreed the team would feedback on the make-up of the Youth Advisory Panel.

#### **Action – Exec Director PABV**

- It was agreed that the team would liaise with communications colleagues on engagement with organisations with community reach.

#### **Action – Exec Director PABV & Communications advisor**

## **15. Partnership Working Framework**

The Commission considered an update by Chair and the Chief Operating Officer on the Partnership Working Framework. The Commission was briefed that a meeting had been held with the COO, AGS and two members, Jennifer Henderson and Andrew Cowie, chaired by the Interim Chair, which had considered all points raised by current and recently left Commission members. The latter two members advocated acceptance of this latest draft.

During discussion,

- Vicki Bibby confirmed following approval by the Commission the PWF would be presented to the Audit Scotland Board for final ratification.
- Christine Lester and Malcolm Bell highlighted a concern around the dispute resolution process, as it does not outline a step-by-step process. Subsequently it was agreed the wording was sufficient and demonstrated the strength of the tri-partite agreement.

Following discussion, the Commission

- Approved the PWF.

## **16. Any other private business**

The Chair, having advised that there was no further business for this item, closed the meeting.

## **17. Close of meeting**

The meeting closed at 1.30 pm.

# Minutes from November Committee meetings

Secretary to the Accounts Commission

**Item 5**  
Meeting date: 14 December 2023

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## Purpose

1. This paper presents for the Commission's approval the draft minutes of the previous meeting of the committees along with a summary of matters arising from those minutes.

## Recommendations

2. The Commission is asked to:
  - Approve the attached draft minute of its previous meeting.
  - Consider any matters arising from the draft minutes.

# Minutes

Financial Audit and Assurance  
Committee

Thursday 23 November 2023, 9.15am

Online via Microsoft Teams

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## Present:

Ronnie Hinds (Interim Chair)  
Andrew Cowie  
Carol Evans  
Ruth MacLeod  
Mike Neilson  
Derek Yule

## Apologies:

Nichola Brown

## In attendance:

Allan Campbell, Secretary to the Accounts Commission  
Helena Gray, Controller of Audit  
John Boyd, Audit Director, Audit Services Group (ASG) (item 4)  
Rachel Browne, Audit Director, ASG (item 4)  
Anne MacDonald, Senior Audit Manager, ASG (item 4)  
Rebecca Smallwood, Correspondence Manager, PABV (item 5)  
Fiona Caffyn, Correspondence Officer, PABV (item 5)  
Jack Nixon, Executive Assistant to the Accounts Commission (Minutes)  
Carol Evans, Accounts Commission member  
Angela Leitch, Accounts Commission member  
Christine Lester, Accounts Commission member  
Ruth MacLeod, Accounts Commission member  
Antony Clark, Executive Director of Performance Audit and Best Value (PABV)  
Joe Chapman, Policy Manager to the Accounts Commission

### 1. Apologies for absence

It was noted Nichola Brown had sent apologies.

### 2. Declaration of connections or conflict

No connections or conflicts were raised.

### 3. Minutes of meeting of 24 August 2023

The minutes of the meeting of 24 August 2023 were noted, the Commission having previously approved them as a correct record and agreed the recommendations therein.

#### 4. Current audit issues in councils

The Committee considered a report by the Controller of Audit providing a summary of emerging issues and recurring themes across local authorities in Scotland.

During discussion, the Committee discussed the following:

- Helena Gray advised the Committee the report provided the requested updates on Reinforced Autoclaved Aerated Concrete (RAAC) and equal pay.
- Helena Gray discussed appendix 4, specifically requesting feedback around the usefulness of the data. It was agreed that the appendix should be retained, but consideration given to which data sets should be included. Committee members also expressed that they would like the report to make clear what are the main issues that they should be concerned about.
- Helena Gray and Rachel Browne briefed the Committee on the recent cyber-attack at Comhairle nan Eilean Siar. Members were advised that the council is being transparent with the community and its partners, prioritising maintaining the delivery of core services, and receiving the appropriate assistance from national cyber teams.
- Anne McDonald discussed the judicial review on Aberdeen City Council on the closure of libraries and swimming pools highlighting the community's view that they weren't adequately consulted, as the closures were more widespread than had been planned.
- In response to a query about North Lanarkshire Council, John Boyd highlighted the scale of the budget gap is significant across local authorities, stating there is a reliance on appointed auditors reporting their 'budget gap' as a current issue. Ronnie Hinds expressed the view that councils only have a 'budget gap' as part of a budget-setting process, as their budgets ultimately have to be balanced, therefore it is difficult to compare between councils that may be at different stages of that process.
- The Committee discussed the use of pension fund savings, expressing the view that they should be used to set a council on the path of financial sustainability and to support transformation rather than delaying necessary and difficult decisions to reform.
- In response to a query from Michael Neilson, Antony Clark confirmed the Financial Bulletin will be explicit in analysing each council and highlighting that while councils in Scotland are not in financial crisis, they are at risk. Committee members also highlighted the differences between the challenges faced by different councils, for example with some council areas seeing significant population growth. The implications of this on council tax and council funding mechanisms were also discussed.

Following discussion:

- The Committee noted the recent decision to freeze council tax and the subsequent questions around recompense funding. It was agreed the Commission should have an appetite for this discussion.

- It was agreed, following discussions around Aberdeen City and North Lanarkshire Council's, whether there was any scope to pick up with the Improvement Service what good consultation on the Scottish budget looks like.
- The Committee noted the report.

## 5. Intelligence report

The Committee considered a paper by the Secretary to the Commission on the Intelligence report.

During discussion, the Committee thanked Audit Scotland colleagues for the report. It was agreed the report could be reframed and used to highlight issues that could potentially feed into the work programme. Additionally, it welcomed the reassurance that the data didn't raise any specific risks. The correspondence team in Audit Scotland also provided an update on plans to improve the analysis and reporting of the data.

The Committee agreed it would like to still receive future editions of the report, but agreed it's structure and content could be revised. For example, it may be helpful to include:

- more comparative data to place the numbers of enquiries and complaints in perspective
- commentary on what is behind the numbers and any trends (such as why particular councils have particularly high volumes)
- a summary of the key issues arising from what's in the report, and how the Commission might make best use of the intelligence.

### Action – Secretary to Accounts Commission

Following discussion, the Committee noted the report.

## 6. Any other business

The Chair, having advised that there was no business for this item, closed the meeting.

### Close of meeting

The meeting finished at 10:20 am.



# Minutes

Joint meeting of the Financial Audit and Assurance and Performance Audit

Committees

Thursday 24 August 2023, 10.30 am

Online via Microsoft Teams

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## Present:

Ronnie Hinds (Interim Chair)  
Andrew Burns  
Andrew Cowie  
Carol Evans  
Jennifer Henderson  
Angela Leitch  
Christine Lester  
Ruth MacLeod  
Mike Neilson  
Derek Yule

## Apologies:

Apologies were received from Malcolm Bell and Nichola Brown

## In attendance:

Allan Campbell, Secretary to the Commission  
Helena Gray, Controller of Audit  
Elaine Boyd, Director, Audit Quality and Appointments (AQA) (item 1)  
Owen Smith, Senior Manager, AQA (item 1)  
Kenny Oliver, Executive Director of Innovation and Quality  
Antony Clark, Executive Director of Performance Audit and Best Value (PABV)  
John Cornett, Executive Director of Audit Services  
Mark Taylor, Audit Director, PABV

## 1. Interim audit quality report

The Committees considered a report by the Audit Quality and Appointments (AQA) team, providing an update on Audit Quality.

During discussion, the Committee: discussed the following:

- Elaine Boyd confirmed there has been a good level of compliance of annual audit plans (AAPs) with the 2021 Code of Audit Practice.
- In terms of audit delivery timescales, performance against target dates is similar to last year, despite the restricted timescales and it being the first year of the new audit appointments. It was pointed out that under the reduced timescales as part of the recovery from the pandemic, the target date has come forward from 31 October in 2022 to 30 September in 2023; on a like-for-like basis, significantly more audits were

completed by the same date this year compared to last year, and this year's target date will be used as a standardised date for comparison in future years.

- It was advised the Audit Scotland quality improvement plan is now progressing which will be reflected in June in the Quality of Public Audit in Scotland (QPAS) report published alongside the Accounts Commission and Audit Scotland's Annual Reports – although the improvement plan itself it may not be completed prior to the QPAS. For comfort Elaine Boyd advised that Innovation and Quality (I&Q) are undertaking hot reviews to track progress alongside external reviews by the ICAEW throughout the year.
- Elaine Boyd provided reassurance on the estimate that 70% of ASG 2023/24 audits will be delivered within planning guidance timescales. It was advised that the priority is audit quality rather than delivery targets.
- In relation to paragraph 40, Committee members queried why KPMG and Grant Thornton delivery figures were lower in comparison to other providers. AQA colleagues advised there were genuine reasons for the lower delivery figures and there is no fundamental issue with the audits. Owen Smith clarified that although some audit firms have fewer audits than others, each firm has a similar size of portfolio in terms of value.
- Elaine Boyd responded to a query regarding paragraph 50 relating to engagement with councils on specific issues such as valuations and increased prior year adjustments. It was advised individual auditors have different approaches to risk and AQA colleagues are working with providers to understand these. AQA advised audit rotation provided overall reassurance of audit quality. Additionally specific issues such as valuations are addressed through technical guidance notes developed by Audit Scotland colleagues and other providers and discussed with Council Directors of Finance on a regular basis.

#### **Action – Director of AQA**

- Elaine Boyd responded to a question about a decline in timeliness of Local Government audits. It was highlighted that the sector includes a number of very small bodies / funds in addition to councils and IJBs. It was agreed AQA, and the Commission should further evaluate local government audit delivery as it is very complex due to the make-up of the audited bodies. John Cornett and Ronnie Hinds advised of discussions with LASAAC and CIPFA regarding the complexity of Local Government accounts with an aim to consolidate and simplify them.

Following discussion, the Committee noted the recommendations outlined in the paper.

## **2. Commission business and audit risk management arrangements**

The Committees considered a report by the Secretary to the Accounts Commission, providing an update on Commission business and the audit risk management arrangements.

During discussion, the Committee was supportive of the approach outlined in paragraph 6 of the cover paper.

It was agreed that the extent to which the question of the Commission's "impact" plays into considerations around risk should be included in the forthcoming review. Committee members discussed introducing RAG scoring and outlining the Commission's risk appetite

as part of the review. There was also discussion of the various forms and sources of information or intelligence that are gathered and ensuring that these feed into the risk management process.

Following discussion, the Committee agreed it is the ideal opportunity for the review of the Commission's risk arrangements and looked forward to seeing an update at either the next Committee meeting or a Commission meeting.

**Action – Commission Support team**

### **Close of meeting**

The meeting finished at 11.20 am.

# Minutes

Performance Audit Committee  
Thursday 24 August 2023, 12.00 pm  
Online via Microsoft Teams

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## Present:

Christine Lester (Chair)  
Andrew Burns  
Jennifer Henderson  
Ronnie Hinds  
Angela Leitch

## Apologies:

Apologies were received for Malcolm Bell.

## In attendance:

Allan Campbell, Secretary to the Accounts Commission  
Antony Clark, Executive Director of Performance Audit and Best Value (PABV) (items 4 & 5)  
Carol Calder, Audit Director, PABV (item 4)  
Kathrine Sibbald, Senior Manager, PABV (item 4)  
Zoe McGuire, Audit Manager, PABV (item 4)  
Mark Taylor, Audit Director, PABV (item 5)  
Helena Gray, Controller of Audit  
Jack Nixon (minutes)  
Carol Evans, Accounts Commission member  
Ruth MacLeod, Accounts Commission member  
Michael Neilson, Accounts Commission member  
Derek Yule, Accounts Commission member  
Joe Chapman, Policy Manager to the Accounts Commission  
Christopher Lewis, Senior Auditor, PABV  
Claire Richards, Senior Auditor, PABV  
Gillian Simpson, Business Manager, PABV

### 1. Apologies for absence

Apologies were received for Malcolm Bell.

### 2. Declaration of connections or conflict

There was no declaration of connections or conflict.

### 3. Minutes of meeting of 23 August 2023

The minutes of the meeting of 23 August 2023 were noted, the Commission having previously approved them as a correct record and agreed the recommendations therein.

#### 4. IJB Finance and performance report

The Committee considered a briefing by the Executive Director of PABV on IJB Finance and performance report.

During discussion, the Committee discussed the following:

- Antony Clark provided an overview of IJB reporting to date and explained that health and social care is a shared area of interest for the Commission and the Auditor General, with potential for joint reporting including on the implementation of integration and on the National Care Service.
- It was agreed the scope of this year's audit is very ambitious and some areas and topics may be more prevalent in the final report – the audit team are keen to work with sponsors on this throughout scoping and drafting. It was also acknowledged that not everything needs to be included in the report itself – some areas could be covered via other outputs.
- The committee agreed this report provides a real opportunity to set out what IJBs do and where they sit in the landscape and outline any local differences. There is also an opportunity to assess the impact or the difference that IJBs are making, using examples and case studies to highlight good practice and areas for improvement.
- Antony Clark advised the intention was to use national comparisons across IJBs and look at them thematically, rather than seek to make judgements for example about the relative effectiveness of different models of commissioning. The committee also discussed correlation analysis between deprivation within council areas with outcomes and performance.
- Regarding timescales for the report, the audit team are confident of meeting the target publication date, and it was agreed that it will be important to publish the report before the summer recess, with the scope to be adjusted if necessary to achieve this.

Following discussion, the Committee:

- The Committee delegated authority for the upcoming social care blog to the sponsors for sign off.
- It was agreed when the Commission discusses IJBs and the services they are responsible for in the future it will include the term 'health' as well as social care as the Commission is responsible auditing the whole system including both community health and social care.
- Agreed the scope and I&I for the audit.

#### 5. Dynamic work programme: process & approach

The Committee considered a briefing by the Audit Director on the Dynamic work programme: process & approach.

During discussion, Mark Taylor advised the Committee of the systematic update process, enabling the Commission and AGS to consider and approve changes to the programme throughout the year. It is planned to move to a triannual process (3 times a year) from the start of 2024. The recent addition of resource/cost information was also highlighted.

Mark Taylor explained that the purpose of today's paper is to prompt reflections and questions on the process; the next work programme update paper, in February, will present options for the Commission.

Ronnie Hinds commented that there is limited additional capacity as the work programme is fairly full, so decisions would have to be made about which work a new audit would replace.

Following discussion, the Committee noted the report.

## **6. Any other business**

The Chair, having advised that there was no business for this item, closed the meeting.

### **Close of meeting**

The meeting finished at 12.50 pm.

# Best Value in Dumfries and Galloway Council

Secretary to Accounts Commission &  
Communications Advisor

## Purpose

1. This report introduces the Controller of Audit's report on Best Value in Dumfries and Galloway Council for the Commission's consideration, alongside the associated publication arrangements.

## Recommendations

2. The Commission is invited to:
  - Consider the Controller of Audit's report.
  - Approve the proposed publication arrangements.
  - Decide how it wishes to proceed.

## Background

3. The report draws the Commission's attention to the findings set out in Dumfries and Galloway Council's 2022/23 Annual Audit Report (AAR) on how effectively the council demonstrates Best Value through continuous improvement in how it delivers its strategic priorities.
4. Best Value audit work is now fully integrated into annual financial audit work to increase its impact and efficiency and reduce the scrutiny burden on councils. Best Value work is reported in AARs and also includes follow-up and thematic Best Value work, providing judgements on the pace and depth of continuous improvements and service performance. This work provides the Commission with the opportunity to offer a national overview of key aspects of Best Value, as well as supporting accountability and improvement within individual councils to generate greater impact from the Best Value audit work.
5. The theme chosen by the Commission for its annual Best Value thematic work for 2022/23 was Leadership of the development of new strategic priorities. The Commission intends to publish a national thematic report on leadership of strategic priorities, drawing on the findings of Best Value thematic work across all 32 councils, in 2024.
6. At least once during the current five-year audit appointment the Controller of Audit is required to report to the Commission on Best Value in each council. These reports are based on the Best Value audit findings reported in AARs. They replace the Best Value Assurance Reports that were published on all councils between 2017-22.
7. The Best Value thematic work at Dumfries and Galloway Council was presented as a management report to its Audit, Risk and Scrutiny Committee on 3 November 2023. Findings from the BV thematic report are included in the AAR. The appointed auditor is responsible for preparing the AAR and presenting it to those charged with governance at



the council. The AAR for Dumfries and Galloway Council was also presented to its Audit, Risk and Scrutiny Committee on 3 November 2023.

## The Controller of Audit's report

8. This report is made by the Controller of Audit to the Commission under section 102(1) of the Local Government (Scotland) Act 1973 (as amended by subsequent legislation including the Local Government in Scotland Act 2003).
9. The legislation enables the Controller of Audit to make reports to the Commission with respect to:
  - The accounts of local authorities audited under the Act;
  - Any matters arising from the accounts of any of those authorities or from the auditing of those accounts being matters that the Controller considers should be considered by the local authority or brought to the attention of the public; and
  - The performance by a local authority of their statutory duties in relation to best value and community planning.
10. The Controller of Audit Report was sent to Dumfries and Galloway Council on 6 December, the same date it was issued to the Commission. The council has been advised that it is obliged to supply a copy of the report and the AAR on which it is based to each member of the council and to make additional copies available for public inspection. Once the Controller of Audit's report is sent to the council it is effectively in the public domain.

## Procedure

11. The legislation provides that, on receipt of a Controller of Audit report, the Commission may do, in any order, all or any of the following, or none of them:
  - direct the Controller of Audit to carry out further investigations
  - hold a hearing
  - state its findings.
12. Findings may include recommendations and the persons to whom those recommendations may be made include Scottish Ministers, who have powers to make an enforcement direction requiring an authority to take such action as is specified in the direction.
13. Members of the audit team will be present at the Commission's meeting and will be available to answer questions on the evidence and judgements presented in the AAR, with a focus on Best Value. This is done in the public part of the Commission meeting.
14. The Commission is then expected to consider in private how it wishes to proceed. Subsequently, the Commission is obliged by statute to inform Dumfries and Galloway Council of its decision on the same day as the Accounts Commission meeting which the Commission does before making the decision public.
15. The Commission asks the council for a meeting, preferably in the period between the Commission publishing findings and the council considering them, to do the following:

- for Commission members to hear what the council thinks of their findings
- to discuss what the council will do with the findings
- to confirm any next steps
- to review the audit process.

**16.** The council is required by statute to do the following:

- consider the findings of the Commission within three months of receiving them
- publish in a newspaper circulating in the local area a notice stating the time and place of the meeting, indicating that it is to be held to consider the findings of the Commission and describing the nature of those findings (at least seven clear days before the meeting)
- after the council has met:
  - notify the Commission of any decisions made
  - publish in a newspaper circulating in the local area a notice containing a summary, approved by the Commission, of the Council's decision.

## **Publication arrangements**

**17.** The main communications outputs for each of the new Best Value reports currently include:

- Short animation – key messages for local communities from the annual audit report
- News release – based on the Account Commission's findings, including a quote from the Chair of the Accounts Commission
- Social media – detailed list of key groups to tag within each council area, including community councils, tenant groups, third sector and local third sector interfaces.

**18.** In addition, we will carry out the following communications and engagement:

- Local media – advance engagement with local media about the report to increase the potential for interviews
- Local third sector interface – share messages, animation and images with each of the local third sector interfaces, provide support to share across their wide-ranging contact groups
- Ongoing engagement with the local council.

**19.** The main audiences for our communications are:

- Council and council staff
- Local communities

- Third sector groups
- Local and specialist media
- COSLA and the Improvement Service
- Other councils – to share best practice.

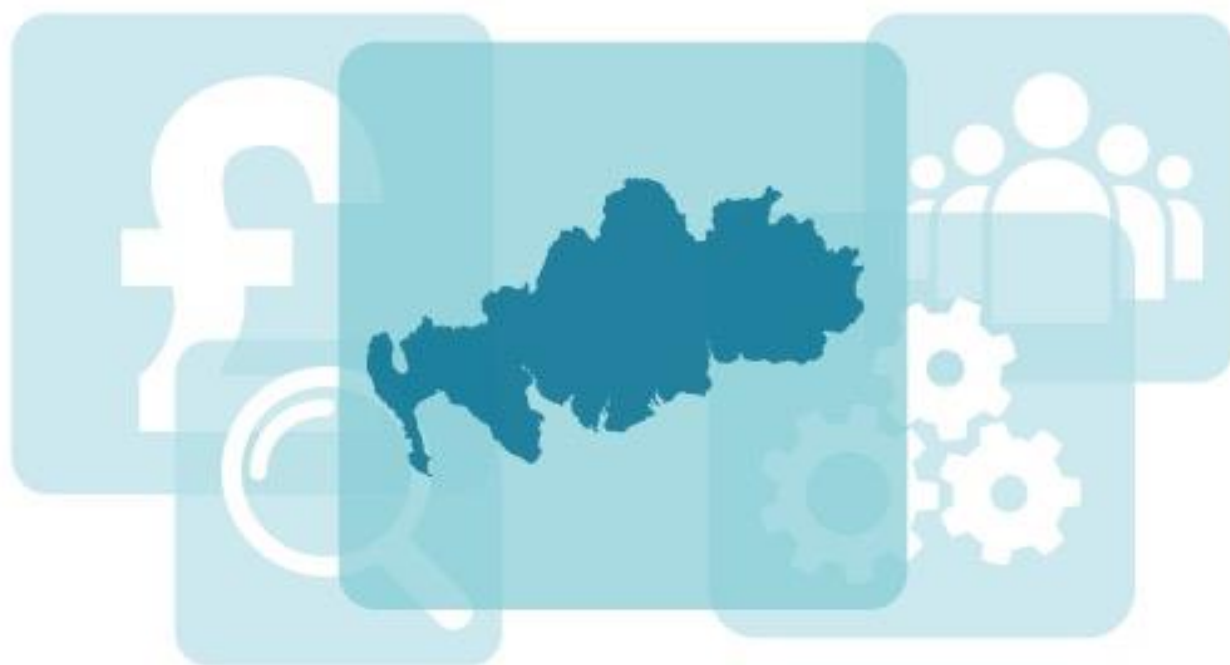
**20.** Alongside reviewing the impact of our specific communications activity for each report, we will carry out a comparative review of our communications after four Best Value reports have been published.

## **Conclusion**

**21.** The Commission is invited to:

- consider the Controller of Audit's statutory report on Best Value in Dumfries and Galloway Council
- approve the proposed publication arrangements
- decide in private how it wishes to proceed.

# Best Value in Dumfries and Galloway Council



ACCOUNTS COMMISSION 

Prepared by the Controller of Audit  
December 2023

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# Key facts

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**2,481** Square miles

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**148,790** Population

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**5,119** Workforce (FTE)

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**43** Elected members  
17 Conservative, 8 Labour, 11 SNP, 4 Independent, 3 Democratic Alliance  
(Conservative administration)

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**£38.1** Savings required by 2027/28

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**£425m** Net revenue budget 2022/23

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**£31.5m** Capital budget 2022/23

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# Controller of Audit Report

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1. This report is made by the Controller of Audit to the Commission under Section 102(1) of the amended Local Government (Scotland) Act 1973.
2. This report draws the Commission's attention to the findings set out in the 2022/23 Annual Audit Report (AAR) ([Appendix 1](#)), including the Best Value thematic report, on how effectively Dumfries and Galloway Council demonstrates Best Value ([Appendix 2](#)) through continuous improvement in how it delivers its strategic priorities. It reflects the new audit approach to Best Value whereby it is fully integrated with the annual audit at each council and includes detailed work each year focusing on a national theme.
3. The council's leadership demonstrates a collective commitment to Best Value through self-evaluation and support for continuous improvement. Good progress has been made in addressing the seven recommendations in the 2018 Best Value Assurance Report (2018 BVAR). Six recommendations have been fully actioned but there is more to do in relation to performance reporting. **The council's leadership needs to sustain its pace of improvement and demonstrate that its arrangements are effective in driving delivery of its new strategic outcomes.**
4. Dumfries and Galloway Council approved its new Council Plan 2023-28 in February 2023, which clearly sets out the council's vision and priorities. The council engaged effectively with citizens, communities and staff when developing its vision and priorities. The council prepared an overview of consultation responses received and a note of the subsequent changes made to the draft Council Plan as a result of this feedback. Both were made available on its website when the plan was approved. The council has a strong track record in community engagement and working with local communities is part of the culture of the council. The council uses a range of approaches to involve communities in decision-making. It holds public consultations on major policy decisions, involves communities in decisions about services and targets specific, seldom heard groups.
5. Since May 2022 there have been three changes in the political leadership of the council with the council being led by the Conservative group since March 2023. The council agreed changes to its senior leadership arrangements in October 2023 and these are to become effective on 1 April 2024. There is effective collaborative working between members and with members and officers towards the achievement of the priorities. A cross-party Budget Panel and a Leaders' Panel, both made up of the leaders, or their representatives, of all the political parties and supported by the Chief Executive and other senior officers, has been in place since December 2022. **The council has said it will review and report on the effectiveness of the revised structure by the end of 2025. Auditors will report on the outcome of that review in future years.**



6. Performance against the 2017-22 council plan was monitored through the relevant service and area committees and in March 2022 the council published an 'end of term report'. It has not yet developed a focused suite of measures aligned to the strategic outcomes set out in the Council Plan 2023-28.

Measures are due to be finalised in January 2024. At service level, the council has an established performance management framework in place with performance reported to elected members twice a year. These reports include the current values of Key Performance Indicators (KPIs) that have been identified alongside targets, trends and planned improvement actions. The first six-monthly progress reports on the 2023/24 service business plans were presented to service committees in November 2023. Local Government Benchmarking Framework (LGBF) data is not reported to elected members to show how the council performs over time, compares to others and how it can prioritise improvement actions more effectively and learn from others. **The council needs to prioritise agreeing its focused suite of measures for the Council Plan. Auditors will report on the effectiveness of the council's performance framework in future years.**

7. Public performance reporting needs to improve. The council does not fully comply with the Accounts Commission's 2021 Statutory Performance Information Direction. A high-level summary of performance against priorities is needed and tailored reporting of the council's performance over time and, in comparison to other councils, using the LGBF, should be made available. Links on the council's performance pages on its website need to be fixed, out of date information should be updated and service self-assessments should be more accessible. **The council has committed to a review of its website, to ensure compliance with the Statutory Performance Information Direction. It will reintroduce reporting of Local Government Benchmarking Framework data.**

8. The council's overall performance, taken from national benchmarking data, shows an improving position year-on-year for 47 per cent of the service indicators. While 40 per cent of national indicators are in the top two quartiles of councils, this has fallen from 56 per cent, showing the rate of service improvement has slowed compared to other councils.

9. The council has agreed a three-year budget covering the period 2023/24 - 2025/26 as part of its ongoing development of a medium-term financial strategy. The processes for the development and agreement of the Council Plan 2023-28 and the council's 2023/24-2025/26 budget were closely aligned and both were agreed by the council at the same meeting in February 2023. Savings of £7.097 million need to be achieved to fill the budget gap in 2023/24, with cumulative total savings of £38.121 million required by 2027/28. **The council has agreed to update the council-wide Workforce Plan to align with the Council Plan 2023-28 and develop an Asset Management Plan for all built assets.**

10. As part of the agreement of the three-year budget, elected members agreed the council's change and savings programme to replace its previous transformation programme. The previous transformation programme delivered a number of improvements in services but financial costs and benefits from the projects were not reported on.

**11.** The approved three-year budget includes eighteen Change and Savings Options and seven Policy Investment Proposals. Each of these is linked to the council plan themes and strategic outcomes and the estimated costs and benefits are quantified. The Change and Savings Options are expected to reduce the council's funding gap by £2.397 million in 2023/24, £7.446 million in 2024/25 and £16.421 million in 2025/26. The remainder of the council's funding gap in 2023/24 will be met through the use of service concessions fiscal flexibilities of £3.7 million and revenue flexibilities of £1 million. **Delivery of the change and savings programme will be key to maintaining future financial sustainability and supporting priority services.**

**12.** The Council Plan is based upon a core set of principles which include addressing both inequalities and climate change. The council has declared a climate emergency and has a climate change strategic plan. But the council plan is silent on whether the council is still working towards its target of achieving net zero carbon emissions in Dumfries and Galloway by 2025. **The council should clearly set out its net zero emissions target and how it plans to achieve it. It has committed to reporting recommendations for future targets for net zero emissions to the Cross-Party Working Group on Climate Change by March 2024.**

**13.** I look forward to seeing the progress the council makes in taking forward the recommendations from the auditor outlined in Appendix 1 of the AAR in due course.

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# Appendix 1: 2022/23 Annual Audit Report

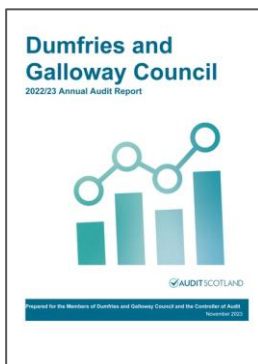
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## 2022/23 Annual Audit Report

This report summarises the findings from the 2022/23 annual audit of Dumfries and Galloway Council.

This Annual Audit Report comprises:

- significant matters arising from the audit of the council's Annual Accounts.
- conclusions on the council's performance in meeting its Best Value duties.
- conclusions on the following wider scope areas that frame public audit as set out in the Code of Audit Practice 2021:
  - Financial management
  - Financial sustainability
  - Vision, leadership and governance
  - Use of resources to improve outcomes.



[2022/23 Annual Audit Report](#)  
[Dumfries and Galloway Council](#)

November 2023

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# Appendix 2: Best Value

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[The Local Government in Scotland Act 2003](#) introduced a statutory framework for Best Value for local authorities. The Best Value duties set out in the Act are:

- to make arrangements to secure continuous improvement in performance (while maintaining an appropriate balance between quality and cost); and, in making those arrangements and securing that balance, to have regard to economy, efficiency, effectiveness, the equal opportunities requirement and to contribute to the achievement of sustainable development.
- to achieve break-even trading accounts, subject to mandatory disclosure
- to observe proper accounting practices
- to make arrangements for the reporting to the public of the outcome of the performance of functions.

# Best Value in Dumfries and Galloway Council

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## Purpose

1. This paper provides an update on the progress of Shetland Islands Council's Best Value Audit Report recommendations.

## Recommendations

2. The Commission is asked to:
  - Note the progress update for Shetland Islands Council
  - Consider any implications for the schedule of BV reports

## Background

3. The Best Value Assurance Report: Shetland Islands Council was discussed at the Accounts Commission meeting on 11 August 2022. At that same meeting the Commission approved the indicative programme for the new CoA Best Value which included a CoA BV report for Shetland Islands Council in year 3 (Oct 2025 to Aug 2026).
4. During the private discussion the Commission members had some concerns about the urgency of change and reflected this in the Commission findings which included the statement '*The progress required by Shetland Islands Council is urgent. We therefore require the Controller of Audit to report back to us within 18 months.*'
5. In the CoA reporting schedule, the '18 month' update on Shetland was planned for Jan 2024 with the statutory CoA BV report and AAR retained in year 3 of the schedule.

## Considerations

6. There is no set format for an 'update' from the Controller of Audit and it is not a statutory report.
7. The August 2023 Best Value Thematic report finds 'Overall, we assess that there is evidence of progress against last year's BVAR in most areas, but no area is fully complete yet.'
8. And specifically, in relation to a key concern area of the Commission, the council has prepared a **medium-term financial outlook (MTFO) 2022-2027**.
9. There has been no significant progress on developing a change **or transformation programme**. The change programme is not detailed in one policy document, it is however included as part of each of the 29 service plans in which all actions are aligned under one of the strategic plan themes. A significant number of the projects are at the early stages of implementation with the dates for completion being over the next three-year period, however progress has been made on each action.

- 10.** The council has been using **reserves** to balance its budget for over 20 years. Income from harbour activities continues to add to reserves, but increasing amounts are being used to support services and capital investment. ‘The total useable reserves decreased last year (2022/23) (£40 million) and the projected reduction in 2023/24 is £24 million) with amounts being used to support services and capital investment. If this continues, then the council reserves could run out in 15 years.’
- 11.** Not specifically raised by the Commission in the BVAR discussion, it should be noted that although **performance** remains relatively very strong (55 per cent of LGBF indicators are in the top two quartiles in 2021/22 and satisfaction levels remain high, with the exception of housing), the council does not fully comply with the **SPI Direction** as although information is readily available to the public, it doesn’t provide a balanced picture of performance and is not sufficiently focused on the priorities in the council’s strategic plan.
- 12.** The exhibit below summarises progress against all the Best Value recommendations.

BVAR Recommendation	Summary of progress
<p>The council should improve performance management and reporting by:</p> <ul style="list-style-type: none"> <li>• ensuring performance indicators are in place for plans and strategies at the time of their development</li> <li>• setting targets for its performance indicators as appropriate and in a timely manner</li> <li>• ensuring annual performance reporting is balanced, uses a mixture of qualitative and quantitative information (including recently agreed performance indicators) and clearly draws out areas for improvement and associated improvement actions</li> <li>• ensuring monitoring is in place for the council’s early intervention and prevention projects</li> </ul>	<p><b><u>In Progress</u></b></p> <p>The council has established a performance framework which aligns with its council plan priorities</p> <p>There are 118 indicators identified that align to the priority areas and this number of indicators may be excessive</p> <p>Performance targets have only been set one year ahead and only for 70 per cent of indicators</p> <p>The Council’s website has good, detailed action and performance data, but these are not clearly focussed on key priorities in Our Ambition</p> <p>Service plans are up-to-date and consistent with the Council plan</p> <p>Annual performance reporting against the council plan is available on the website, but is mainly narrative and focuses on achievements</p>
<p>Elected members should work with council management to set out how it will meet the estimated funding gap</p> <ul style="list-style-type: none"> <li>• The council should improve how it involves</li> </ul>	<p><b><u>In Progress</u></b></p> <p>The council approved a balanced revenue budget for 2023/24. The budget gap of £3.2 million for 2023/24, was addressed by continued use of the general fund</p> <p>The council continues faces a significant challenge in being able to set balanced budgets in the future. The central</p>



BVAR Recommendation	Summary of progress
<p>elected members in budget-setting</p>	<p>scenario indicated a potential cumulative budgetary deficit of £106 million by 2026/27</p> <p>The Councils own BV action plan monitoring update notes that “budget seminars were delivered, and members’ feedback sought on savings proposals, council tax, rent levels and service reviews.</p> <p>For the 2023/24 budget the Council engaged with people on council tax increases as well as with tenants on rent increases. For the 2024/25 budget the Council plans to implement an engagement programme starting in August 2023 to build in community priorities</p>
<p>The council needs to fully embed its Change Programme by:</p> <ul style="list-style-type: none"> <li>• identifying, developing and aligning its supporting projects and activities</li> <li>• setting clear timescales</li> <li>• fully resourcing its work including the PMO Team ensuring there is a dedicated core hub for its work</li> <li>• creating a clear plan of how it will address savings identified in the MTFP</li> </ul>	<p><b><u>In Progress</u></b></p> <p>The Council’s own BV action plan monitoring update notes that SIC Change Programme Delivery Plan approved 23 November 2022. Hub and Spoke model agreed</p> <p>Progress reports on the change projects are reported to the policy and resources committee quarterly and the actions are given a red-amber-green status. The actions are spread over the 29 service plans and linked to the Our Ambition themes.</p> <p>A small resource is available to drive forward the change projects.</p> <p>The council needs to continue to develop its approach to driving forward the projects to ensure they are achievable within the resources available</p> <p>.</p>
<p>‘The council should align all plans and strategies under Our Ambition to meet its priorities, specifically:</p> <ul style="list-style-type: none"> <li>• workforce planning</li> <li>• the Asset Improvement Plan</li> <li>• financial planning</li> <li>• the Change Programme</li> </ul>	<p><b><u>In Progress</u></b></p> <p>Service plans are up-to-date and consistent with the Council plan. The council has developed three-year service plans for each of the five directorates. These are updated annually and last updated on 15 March 2023. The delivery plans are clearly aligned with the priorities in the Our ambition plan and demonstrates how each service will deliver its priorities.</p> <p>A council-wide workforce strategy and workforce plan exists, but both are being updated to align with Our Ambition. The council created a workforce strategy in December 2020 and a workforce in September 2021. An update on the workforce plan was taken to the Council in June 2023, which outlined the actions they are taking to address recruitment and retention issues</p> <p>The council has a five-year Asset Investment Plan (AIP) 2023-28, approved on 15 March 2023. There is still no clear link between the projects within the AIP and how they will help the council achieve its priorities set out in Our Ambition</p>

BVAR Recommendation	Summary of progress
	<p>The Council has prepared a medium- term financial outlook (MTFO) 2022-2027, which is refreshed annually ahead of the budgeting cycle. The latest update was September 2022. The MTFO is currently undergoing review and it is expected to be revised by September 2023</p> <p>The council has the change programme embedded within all other plans that it undertakes. The council's change programme is not confined to one policy document, it is however included as part of each of the service plans</p>
<p>In respect of community engagement, the council should:</p> <ul style="list-style-type: none"> <li>• engage communities on key strategic plans and developments, including the council plan and annual budget</li> <li>• demonstrate how the results of community engagement exercises have fed into plans and services</li> <li>• ensure locality plans are in place</li> </ul>	<p><b><u>In Progress</u></b></p> <p>A Community Engagement strategy has not yet been prepared. The Council plans to develop a community Engagement Strategy for Shetland, however there is currently no timetable for this</p> <p>The Council's Community Development department engaged in a series of Community Conversations with members of the community, community groups, third sector organisations and staff teams over the last year. In February 2023 the council, its partners, Hub North Scotland and Scottish Futures Trust (SFT) produced a report "Nort Natters." The report took a place-based approach. A series of community engagement events were undertaken</p> <p>The council is improving resident involvement in budget setting. For the 2023/24 budget the Council engaged with people on council tax increases as well as with tenants on rent increases. For the 2024/25 budget the Council plans to implement an engagement programme starting in August 2023 to build in community priorities</p>
<p>In respect of impact assessments, the council should:</p> <ul style="list-style-type: none"> <li>• develop a consistent approach in carrying out EIAs</li> </ul>	<p><b><u>In Progress</u></b></p> <p>The Council has reviewed current templates for Integrated Impact Assessments (IIA), ensuring all statutory requirements are covered for equalities. It also completed an IIA on the Council's 2023-2024 budget</p>

Source: Audit Scotland

## Conclusion

**13.** The report notes progress in all BVAR recommended areas but that none are yet complete.

# Dynamic work programme update: stock check against priorities

Executive Director of Performance Audit and Best Value

Item 8

Meeting date: 14 December 2023

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## Purpose

1. This report provides an overview of how the products within the current dynamic work programme (DWP) align with the Accounts Commission's revised strategic priorities and provides an update of the current DWP resourcing position.

## Recommendations

2. The Accounts Commission is invited to:

- Consider how the current work programme, both confirmed and pipeline products, aligns with the new strategic priorities.
- Provide any views or reflections on the current composition, focus and phasing of the programme to ensure it meets the aims of the Commission.
- Note that the outcomes from this discussion will be reflected in specific proposals brought to the Commission in the February 2024 work programme update.

## Background

3. At its strategy session on 10 August 2023, the Commission reviewed its strategic priorities based on its consideration of the evolving local government operating environment. Following this, a new set of priorities were approved at the Accounts Commission meeting on 9 November 2023. The 5 revised strategic priorities are:

- Reform
- Inequalities
- Finances
- Environmental Sustainability
- People and Communities.

4. The Commission asked Audit Scotland to review each of the products currently contained in the forward work programme (confirmed and pipeline) and provide it with a short assessment of the what's planned, and how this aligns to the revised priorities.

## Stock Check Against Priorities

5. Appendix 1 provides a summary of the intended focus and purpose of each of the products within the Dynamic Work Programme. The table is split into confirmed products and those not yet agreed (pipeline), including the new suite of local government overview products discussed by the Commission at its October 2023 meeting.

**6.** The Senior Managers within Audit Scotland have considered if and how each of the products relates to the five priorities above. Each product was then categorised on the basis of having: strong links, some key links, some limited links, or no links. This is illustrated in the colour coded columns in the table included in appendix 1.

**7.** The outcomes from this stock check exercise demonstrate that there is a close alignment between the current work programme (both confirmed and pipeline products) and the Accounts Commissions' revised priorities. All the products align strongly to at least one of the key priorities, with many products addressing multiple priority areas. This highlights the interconnectedness of the priorities and the cross-cutting nature of many of the audit products.

**8.** A more detailed assessment of how each priority is being addressed through the work programme is included in the accompanying slide pack. This includes a high-level assessment of how resources are currently allocated across the priority areas – for both confirmed and pipeline products. The estimated cost of each audit product has been broken down and apportioned to the priorities based on how strongly it aligns with each. While illustrative, this exercise provides the Commission with a high-level overview of how resources are currently being targeted towards each priority area. The Commission may wish to reflect on this position when considering future audit products.

## Resourcing the work programme

**9.** We continue to improve and refine our budget and cost data for performance audit and Best Value work, building on the prototype shared at the Commission's Strategy seminar in August 2023. The marginal costs of proposed changes to the programme were incorporated for the first time into the September 2023 work programme update considered by the Commission. An update of the current resourcing position for 2023/24 and 2024/25 is attached at appendix 2. This incorporates all products considered in the stock check alongside other statutory reports by the Controller of Audit. All amounts are based on current estimates.

**10.** The overall position is that there is headroom of £190k in 2023/24 and £634k in 2024/25 based on the products previously approved by the Commission. If all products in the pipeline were to be approved (including LG24 products – see below) this would mean a small overcommitment of £19k in 2023/24, reducing to £16k in 2024/25. We consider that this would be manageable within existing resources. There is limited scope to add further products that would require work during the remainder of 2023/24. The position for 2024/25 will depend on choices made by the Commission in relation to the audits currently included in the pipeline, alongside any other emerging proposals.

## Local government overview reporting – LG24

**11.** The Commission endorsed a new strategic approach to future local government reporting at its October 2023 meeting, approving the proposed scope of work (known as LG24). The new approach will be delivered within the Commission's overall resource envelope but requires some realignment of resources to accommodate the delivery of new and more extensive outputs. The impact of these changes is incorporated in the assessment of the overall resource position and the stock check against priorities set out above.

**12.** Overall, the full suite of LG24 products is expected to cost around £388k annually. Previously the aggregate budgeted cost of the Local Government Overview and Financial Bulletin was around £302k. We consider this is manageable within the overall resource envelope set out, recognising the opportunity cost of the more extensive outputs planned. All estimates will be kept under review as work progresses.

## Next Steps

**13.** We will present a full work programme update report to the Accounts Commission in February 2024 as part of the new triannual reporting arrangements, including proposals for specific changes to the programme. Feedback from this stock check discussion will inform the development of options for utilising the remaining headroom in the programme during 2023/24 and 2024/25 and any attenuation that may be required, for the consideration of the Commission. This may include replacing, rescheduling or re-sizing products currently included in the work programme.

## Confirmed Audit Products

Key: Alignment with Priority

Strong Links



Some Key Links



Some Limited Links



No Links



Proposed Publication Date	Product Title	Product Type	Focus of the Product	Purpose of the Product	Reform	Inequalities	Finances	Environmental Sustainability	People and Communities
Q3 23-24	Social Care work programme	Blog	The blog will highlight the Commission's continued interest in IJBs and the planned approach for work in this area.	To publicly signal the Commission's continued interest in IJBs and sustainability of the social care sector.					
Q4 23-24	Social Care Roundtable (linked to IJB report)	Event	To engage with key stakeholders with an interest in the social care sector.	To identify the risks in social care for consideration for future work, develop intelligence on issues and test emerging messages for the 2024 report.					
x3 Q4 23-24 x1 Q1 24-25 x2 Q2 24-25	BV Controller of Audit reports	Statutory Report	Reports will focus on implementation of BVAR recommendations and wider dimension BV work through local audit.	To provide the Commission with an assessment of individual council's progress with its statutory BV duties. Specific BV criteria coverage expected over the annual appointment period; not all criteria will be covered in each report (but will be covered in AAR each year).					
Q4 23-24	Local government financial bulletin 2022/23...	Briefing	The report will focus on the strategic financial position across the local government sector during 2022/23, as well as identify the ongoing and emerging financial challenges.	To support councils in their budget setting process and in developing their financial plans.					

Proposed Publication Date	Product Title	Product Type	Focus of the Product	Purpose of the Product	Reform	Inequalities	Finances	Environmental Sustainability	People and Communities
Q4 23-24 Q4 25-26	Annual Assurance and Risks Report (AARR) (Internal)	Annual Report	This report provides assurance to the Commission that the range of audit work undertaken on its behalf provides effective coverage of local government performance and risks, including coverage of key Commission priorities.	The AARR helps inform the Commission's consideration of its wider work programme. It will also set out proposals for the next year's Best Value thematic work that will be included in the Planning Guidance for local auditors.					
Q1 24-25	Integration Joint Board Report 2024	Overview Report	This report will set out the current context and background in which IJBs are operating. It will cover the financial position and outlook for IJBs. It will set out an analysis of performance information about IJBs and it will also set out a 'spotlight' feature on social care commissioning and procurement.	To provide public commentary on the financial and wider performance of IJB and set out the issues related to social care commissioning. Make recommendations for improvement that will support improved performance and sustainability in the sector.					
Q1 24-25	Best Value thematic report: Leadership	Briefing	The national thematic report will draw together the findings from each individual thematic council audit. It provides an opportunity for the Commission to comment in detail on how effectively councils are demonstrating this aspect of Best Value and to challenge progress and highlight good practice across councils. This report will provide an overview of the leadership of the development of new local strategic priorities by councils following the local government elections in May 2022.	To use national intelligence gathered to provide an assessment of the effectiveness of council leadership (political and officer) in setting clear priorities and a sustainable approach to delivering them.					



Proposed Publication Date	Product Title	Product Type	Focus of the Product	Purpose of the Product	Reform	Inequalities	Finances	Environmental Sustainability	People and Communities
Q1 24-25	Digital exclusion <b>Joint with AGS</b>	Performance Audit	How well public bodies are tackling digital exclusion, how it affects access to services and the impact this has on people in Scotland, and their human rights. Includes engaging with people with lived experience.	To improve understanding of digital exclusion, identify who is affected by it and what it means for people's human rights. And to support improvement and identify innovative or positive practice.					
Q2 24-25	Drug and alcohol services <b>Joint with AGS</b>	Performance Audit	A review of D+A services to assess what progress has been made to reduce drug and alcohol related harm, how effective investment in these services has been, and how responsive services are to the needs of those who require them.	To provide an independent assessment of drug and alcohol services and to make recommendations on how services can make better use of the resources at their disposal to improve the outcomes for those who need them.					
Q3 24-25	Local Government Workforce	Blog	This blog will provide commentary on strategic workforce issues within the local government sector. It will consider various themes, including innovation, the impact of AI and digitalisation/robotics, multi-skilling, the impact of hybrid working and staff performance management.	This blog will provide the Commission with an opportunity to signpost to upcoming work on the second Best Value theme: workforce innovation. It will call upon existing intelligence relating to workforce trends, ongoing and emerging capacity challenges and early examples of innovation and productivity across the sector.					
Q3 24-25	Additional support for learning <b>Joint with AGS</b>	Briefing	Consider trends in demand at a high level, how services are provided and perform (as far as data is available), any evidence of a shift to early intervention, what available data on outcomes and spending shows and data gaps, as well as progress against the recommendations in the Morgan review. - TBC	There are long-standing concerns about the provision of services for the increasing number of children and young people who need ASL, and significant equalities issues relating to outcomes. A briefing paper with conclusions and recommendations will allow the Commission and AGS to push for improvements.					



Proposed Publication Date	Product Title	Product Type	Focus of the Product	Purpose of the Product	Reform	Inequalities	Finances	Environmental Sustainability	People and Communities
Q3 24-25	Sustainable Transport <b>Joint with AGS</b>	Performance Audit	Focus on what progress SG and councils are making towards the target of reducing car kilometres by 20 per cent by 2030	To report on arrangements in place to deliver the target, including how well SG, Transport Scotland and councils are working together, how funding is directed and how progress is being monitored and reported on.					
Q1 25-26	Best Value thematic report: workforce innovation	Briefing	The national report will draw together the findings from each individual thematic council audit. It provides an opportunity for the Commission to comment in detail on how effectively councils are demonstrating this aspect of Best Value and to challenge progress and highlight good practice across councils. This report will review how councils are responding to local government and workforce challenges through building capacity, increasing productivity & innovation.	To gather national intelligence to provide an assessment of how councils are innovating with their existing workforce to address workforce pressures in an environment where they cannot recruit themselves out of the problem due to funding constraints and market competitiveness.					
Q1 25-26	Adapting to climate change <b>Joint with AGS</b>	Performance Audit	Pre-scoping is ongoing to refine and target areas of focus, which could include flooding, infrastructure and the natural environment. Whichever area we focus on, there are likely to be common cross-cutting themes, including equalities, investment and building resilience.	To highlight the importance of collaboration across the public sector to build resilience and adapt to current and future impacts of climate change. As a joint audit, we can highlight learning and make recommendations for improvement across the public sector.					

Proposed Publication Date	Product Title	Product Type	Focus of the Product	Purpose of the Product	Reform	Inequalities	Finances	Environmental Sustainability	People and Communities
Q4 25-26	Local Heat and Energy Efficiency Strategies	Performance Audit	Examining area-based approaches to heat and energy efficiency planning and delivery, aimed at reducing emissions. Focusing on early implementation of LHEES, which councils to publish by Dec 2023. Could cover several themes, including partnership working, workforce planning, estate management and tackling inequalities.	To provide an independent assessment of the role of local government in supporting the transition to zero emissions heating, which is an essential element of meeting Scotland's statutory 2045 net zero target. Will share learning and make recommendations for improvement at an early stage of LHEES delivery.					

### Pipeline Audit Products

Key: Alignment with Priority

Strong Links



Some Key Links



Some Limited Links



No Links



Pipeline	Product Title	Product Type	Focus of the Product	Purpose of the Product	Reform	Inequalities	Finances	Environmental Sustainability	People and Communities
Revised LG Reporting Suite of Documents	Council performance commentary	TBC	High level commentary on council performance using LGBF annual report.	For the Commission to make findings on LGBF data each year.					
	Local government in Scotland: Challenges, Risks and Opportunities 2024 (CRO)	Overview Report	A strategic view of the main challenges and opportunities in the local government operating context. It will include a focus on a key challenge, theme or recommendation - providing a deeper dive into the strengths, weaknesses and opportunities to promote learning and add value.	To support a move forward on 'wicked issues' through a focus on sharing learning (what went wrong - pitfalls/what went right – good practice), identifying principles, barriers and things to consider etc.					
	Service spotlight on homelessness services	Briefing	A focus on issues affecting individual council services.	Commission commentary on individual council services.					
	Council budget analysis	Briefing	Analysis of councils' overall budgets, budget gaps and proposed ways to meet the budget gap.	A separate, more timely council budget analysis - just after council budgets are set - drawing on analysis of agreed budgets alongside other sources to provide an overview of council budget pressures.					

Pipeline	Product Title	Product Type	Focus of the Product	Purpose of the Product	Reform	Inequalities	Finances	Environmental Sustainability	People and Communities
Pipeline	Child Poverty <b>Joint with AGS</b>	Performance Audit	Consider whether the interim targets for child poverty were met and progress towards the final targets. It will follow up on recommendations in our 2022 briefing paper. Future audit work is likely to assess councils' actions to reduce and prevent child poverty, as well as examine the Scottish Government's and its partners' progress with the national work to reduce and prevent child poverty, and the impact of that work.	To provide an assessment of progress towards meeting the SG's targets to reduce child poverty.					
Pipeline	School education/outcomes <b>Joint with AGS</b>	TBC	To follow up on our 2021 report and assess the impact of education reform.	To provide an update on education reform, spending and the impact on outcomes, and to follow-up on our previous recommendations.					
Pipeline	Early Learning and Childcare Outcomes <b>Joint with AGS</b>	Performance Audit	Third audit in a series, focusing on the impact of the expansion on outcomes.	To conclude on the cost of the expansion in funded ELC and the impact on outcomes for children and families.					
Pipeline	Regional economic development <b>Joint with AGS</b>	Performance Audit	Could focus on role of regional economic partnerships in driving regional opportunities, assess how funding and activity is being targeted to address inequality, or could focus on regional opportunities such as green industry.	To provide an assessment of support for/progress on regional economic growth					

Pipeline	Product Title	Product Type	Focus of the Product	Purpose of the Product	Reform	Inequalities	Finances	Environmental Sustainability	People and Communities
Pipeline	National Care Service <b>Joint with AGS</b>	Blog	Health and Social Care reform	To make an initial public comment on progress and the approach taken to the NCS.					
Q3 24-25	Community Justice <b>Joint with AGS</b>	Performance Audit	Pre-scoping ongoing to explore value in further work. There is a lot of planned change for most key audit themes - including partnership and governance (previously raised by PAC as of interest). The barriers to a shift from custodial sentences to community sentences is likely focus if any work goes ahead.	Shifting offenders from short-term prison sentences to community sentences has been a national aim of government for decades but no real progress has been made. This work could consider the barriers and make recommendations for improvement.					
Pipeline	Care Experienced People <b>Joint with AGS</b>	TBC	Potential audit work could focus on how the Scottish Government, councils and other public bodies are delivering improved outcomes for care experienced people, as set out in The Promise. Potential areas on interest are governance and accountability for delivering the promise, resources, partnership working and information and data to monitor progress with delivering The Promise and the impact on children and young people.	Potential audit work could set out specific barriers and enablers to progress in delivering The Promise and improving outcomes, and provide a high-level assessment of them. It could make recommendations to support improvement and share best practice, as well as increase the profile of The Promise.					

## Purpose

1. The purpose of this report is to provide an update to the Commission on significant recent activity relating to local government.
2. The Commission receives regular information to complement this report, which is available through the [members' SharePoint site](#). This includes:
  - The Controller of Audit report to the Commission, updating the Commission on her activity. This is intended to complement this Secretary's update report.
  - An update on issues relating to local government which is considered by the Commission's Financial Audit and Assurance Committee.
  - A weekly news coverage briefing provided to the Commission by Audit Scotland's Communication Team, now supplemented with a summary of parliamentary activity from the Commission Support Team.

## Recommendations

3. The Commission is invited to:
  - Note this report and consider any implications for its work programme.
  - Agree to the proposed actions with regard to the Commission responding to the consultations highlighted at the end of this report.

## Recent publications and engagement

4. Monthly updates on the activities of both the Chair and Controller of Audit are standing items on the Commission's agenda. Details of recent [publications](#) and [blogs](#) are available online. In the coming months, a new communications schedule will be developed providing information on future publications and activities, including indicative roles for members in promotion and engagement.
5. The Commission has issued the following publications since the previous edition of this report was produced:
  - [Best Value in South Ayrshire Council](#) (2 November 2023):
    - *News release*: “**South Ayrshire Council slow to improve and transform** – South Ayrshire Council manages its money well and some services are improving, but the pace of change has been too slow.”

- *Engagement statistics (2-30 November inclusive):*

- 360 report downloads
- 938 video views across Instagram, LinkedIn and X (Twitter) – mostly on LinkedIn; 1,983 views on Facebook although this was boosted by paid advertising which has since been discontinued
- 399 engagements across all 4 platforms, mostly on X

For comparison, the section 102 report on Glasgow City Council in August 2023 had 174 downloads in the first 5 weeks, and a Best Value Assurance Report in autumn 2022 had 325 downloads within its first 5 weeks.

- *Media coverage:* The report was covered by [The Herald](#) (print and online), The Scotsman (print only), the [Ayr Advertiser](#) (which also [reported on the Annual Audit Report](#)), [West FM](#), [Scottish Housing News](#) and [The MJ](#).
- [Best Value in Dundee City Council \(30 November 2023\)](#)

- *News release:* “**Dundee City Council is well-run, with a clear vision to address challenges** – Dundee City Council has shown effective leadership, good financial management and engagement with communities as it seeks to tackle long-standing issues. Reporting on its performance and progress is clear, with a focus on continuous improvement.”

- *Engagement statistics (30 November only):*

- 142 report downloads
- 828 video views across Facebook, Instagram, LinkedIn and X – mostly on LinkedIn
- 101 engagements across all 4 platforms, mostly on X

For comparison, a Best Value Assurance Report in autumn 2022 had 176 downloads in its first 2 days, while the Best Value legacy report published on 26 September had 242 downloads in the first 5 days.

- *Media coverage:* The report was covered by [STV News](#) (online, and regional broadcast), [The Courier](#) and Dundee Evening Telegraph (online and print), [Scottish Housing News](#) and [LocalGov.co.uk](#).

6. In addition, quarterly and annual download statistics for Commission publications are provided to supplement the regular monthly statistics. Due to the timing of forthcoming meetings, the next quarterly figures will be provided in the February report.

## Best Value reporting engagement

7. On 30 November 2023, the Improvement Service and the Commission co-hosted an online event for elected members based on the ‘Best Value in Scotland’ report. Andrew Burns and Derek Yule participated in the event, which included a presentation about the report, followed by a Q&A session and breakout groups discussing members’

perspectives on the capacity of their councils to meet their BV obligations. The event was attended by around 25 elected members from about 14 councils across Scotland.

8. In addition, Fiona Mitchell-Knight of Audit Scotland provided an update on our BV work and plans for the year ahead to a learning event by the Improvement Service's Public Service Improvement Framework (PSIF) on 22 November 2023. There were around 60 delegates at the event, mainly from councils as well as from IJBs.
9. There was some very positive feedback received, including:
  - the integration of BV into annual audit work is an effective, proportionate approach
  - audit teams are helpful, knowledgeable and focused
  - improvement actions are appreciated for highlighting where councils can improve
  - overall the process is supportive and builds on the previous BV Assurance Reports

## Media and Parliamentary monitoring

10. The Accounts Commission was referenced in [a letter from Joe FitzPatrick](#), Minister for Local Government Empowerment and Planning to the Convener of the Local Government, Housing and Planning Committee, which was in response to the findings of the Committee's Pre-Budget Scrutiny. In his letter, the Minister stated:

*"The Scottish Government acknowledges the fiscal challenges councils, and indeed the entire public sector are currently facing. However, it should be noted that despite a decade of UK Government austerity measures, local government revenue funding is 2.6 per cent higher in real terms than it was in 2013-14 – as confirmed in the recent Accounts Commission report."*

11. The [original letter from the Committee](#) had referenced the Commission, not in relation to funding, but around workforce challenges highlighted in the [Local Government Overview 2023](#) report, including staff absences and workforce planning.
12. The Commission was also referenced in a disagreement between the SNP and Cllr Joe Fagan, Labour Leader of South Lanarkshire Council. In a letter to MSPs about funding for local government, Cllr Fagan stated that it had been "set out clearly by the Accounts Commission" that "Scotland's councils have endured cuts of almost 10% in real terms since 2013/14, when the rest of the Scottish budget has been rising". In response, [SNP MSPs accused Cllr Fagan of disinformation](#) and of misrepresenting the Accounts Commission, citing the 2.6 per cent figure referenced above.
13. Media coverage included a quote stated as being on behalf of the Commission, saying it "did not recognise" the 10% figure. This was clarified in a quote for the story reported in The Herald on 3 December, explaining the figures as follows:
  - The 'almost 10%' figure was from specific local analysis for [South Lanarkshire Council's 2021/22 annual audit report](#) (para 119), considering only core revenue funding up to 2020/21,



- The 2.6% figure is from the [Local Government Overview 2023](#) and is based on analysis of all revenue funding from the Scottish Government up to 2021/22.

Thus both figures are accurate but based on different data, concerning different years, and therefore not directly comparable.

## Issues affecting Scottish local government

### Local government finance

14. On 4 December, COSLA was [widely reported](#) as stating that local authorities are at risk of bankruptcy if funding from the Scottish Government is not improved. The warning came in COSLA's budget lobbying document, '[Councils Are Key](#)', which said councils need almost £14.4 billion in the budget just to "stand still". COSLA made reference to the Section 114 notices issued by Birmingham and Nottingham city councils, claiming that this could become a reality for Scottish councils if funding does not match growing cost pressures, with essential services potentially having to cease.
15. Meanwhile, [draft regulations](#) allowing local authorities to charge up to double the full rate of Council Tax on second homes were laid before the Scottish Parliament. This change attracted majority support in a recent consultation, and will bring second homes into line with long-term empty homes from 1 April 2024. There were more than 24,000 second homes in Scotland as of September 2022 (the latest figures available).

### UK Autumn Statement

16. Headline measures in the [Chancellor's Autumn Statement](#) on 22 November included:
  - cutting National Insurance from 12% to 10% effective from January 2024, but freezing income tax and National Insurance thresholds until 2028
  - increasing the National Living Wage from £10.42 to £11.44, the state pension by 8.5% and Universal Credit by 6.7%, from April 2024
  - making permanent the "full expensing" tax break, and extending the 75% business rates discount for retail, hospitality and leisure firms in England for another year

These and other measures – presented as “an autumn statement for growth” – are to be funded through higher-than-expected tax revenues as a result of inflation.

17. However, there was no additional funding for UK Government departments, despite growing cost pressures, with a continuation of previously announced spending plans that have since been impacted by inflation. According to the [Institute for Government](#), day-to-day spending is due to rise by only 1.9% per year in real terms between 2021/22 and 2024/25, and less than 1% in real terms after that – with large increases for the NHS, defence, foreign aid and childcare likely to result in cuts to other areas.
18. The Deputy First Minister [responded to the Chancellor's Autumn Statement](#) describing it as the “worst case scenario” for Scotland's finances, stating that it fails to deliver the investment needed in services and infrastructure. Speaking on the BBC Sunday Show a few days later, Ms Robison said this year's budget will be one of the most difficult

since devolution, and commented that “the size of the public sector workforce will have to change” and it “will have to operate in a different way”.

19. COSLA President Cllr Shona Morrison issued a [strongly worded response](#) to the Deputy First Minister's comments about the Scottish Budget following the UK Autumn Statement. COSLA's statement emphasised the need for a clear focus on prevention to tackle current challenges, and criticised the Scottish Government for choosing “to continue to direct funding for specific purposes and cut Local Government funding in real terms”, stating that “this is a major reason that we are where we are today”.

## UK local government

20. [Nottingham City Council issued a section 114 notice](#), effectively declaring itself bankrupt and stopping all non-essential spending. The council – which was already being monitored by the UK Government – cited a number of factors putting pressure on its finances and impacting on its financial resilience, including:

- increased demand for social care, and rising homelessness
- the impact of inflation
- “past issues relating to financial governance”
- an overspend in 2022/23 and expected £23 million overspend in 2023/24

Nottingham's announcement follows Birmingham City Council's s114 notice in September, and [more are expected to follow](#).

21. The [Office for Local Government \(Oflog\)](#) has revealed the performance data it will be requesting from local authorities in England. Having initially focused only on financial indicators, the [new draft metrics](#) cover a range of service areas and are intended to give “a sense of how a local authority operates”, using existing datasets in order to avoid “unnecessary new burdens” on councils. Oflog intends to act as an ‘early warning system’ for council failures but is still developing its approach, and [there are concerns](#) that its remit is too narrow and that it is rapidly being overtaken by events.
22. The Levelling Up, Housing and Communities (LUHC) Committee at Westminster has [launched an inquiry regarding Oflog](#), looking at its remit and how it will help to raise performance and improve outcomes – including how it will engage with local authorities, and how it will use data. In opening its inquiry, [the Committee wrote to Michael Gove](#), Secretary of State for LUHC, with a series of questions about Oflog including regarding its strategic fit, purpose and priorities, as well as its independence from the UK Government and distinction from the Local Government Association.
23. It was reported that [just 1% of English councils](#) produced audited accounts for 2022/23 by the deadline. More than 900 accounts for councils and other public bodies going back to 2017 remain unaudited, with UK ministers considering an ‘amnesty’ to clear the backlog. Ten public bodies – including Slough council, which effectively declared bankruptcy in 2021, and three councils that have borrowed large sums to invest in commercial property deals – have not had accounts audited for the last five years.

## Policy area updates

### Housing and homelessness

24. City of Edinburgh Council and Glasgow City Council each formally declared a housing emergency, following the lead of Argyll and Bute Council which took the step in June.
25. [Councillors in Edinburgh voted on 2 November](#) in support of a motion by the housing convener that cited the city's record homelessness figures along with a severe shortage of social rented homes and spiralling private rental costs. The council says around 5,000 households in the capital are living in temporary accommodation, while about 200 bids are made for each available social rented home. Councillors agreed to write to the First Minister and the Housing Minister, asking for additional funding.
26. The Scottish Government responded to the announcement by stating that it was making available £3.5bn over this parliamentary term to support delivery of 110,000 affordable homes by 2032, with 70% of those for social rent; this includes investing at least £60m to help local authorities and registered social landlords acquire properties for use as high quality, affordable, permanent homes.
27. [Glasgow councillors agreed the move on 30 November](#) due to "unprecedented pressures", with more than 5,200 current open homelessness cases – a 44% rise since 2019 – and a doubling of the number of homeless refugees since a streamlined asylum process was introduced by the Home Office in June. The council expects its homelessness services to have a budget overspend of £23.6m this year. Councillors called on the UK Government to pause the new asylum scheme and/or provide funding to manage the resulting additional costs; however, this request was refused.

### Health and social care

28. [Adult social care recruitment campaign](#): The Scottish Government launched a new recruitment drive, 'You can make the difference', to support the recruitment of more adult social care workers and help address vacancies. The campaign includes TV, radio, outdoor and digital advertising, and focuses on the difference someone working in adult social care can make to people's lives. It highlights the rewarding relationship between carer and care receiver, as well as the variety of roles available in the sector.
29. [Glasgow Community Link Workers](#): Additional funding is being provided to preserve the Community Link Worker programme within Glasgow City Health and Social Care Partnership. Community Link Workers offer one-to-one support for issues such as debt, housing and loneliness, reducing pressure on GPs. The service is particularly valuable in areas of deprivation where poverty and inequality contribute to poor health.
30. [Carer Support Payment pilot](#): Unpaid carers in Perth and Kinross, Dundee City and Na h-Eileanan Siar are the first to be able to apply for the Carer Support Payment, which is replacing Carer's Allowance in Scotland. Carers in more local authority areas will be able to apply from spring 2024; the benefit will be available nationally by autumn 2024.

### Social security and communities

31. [Storm Babet grants](#): councils impacted by Storm Babet will be allocated additional funding to enable them to provide grants of up to £1,500 to people whose homes were

affected by flooding and £3,000 to businesses who can show their ability to trade has been severely impacted. [Funding to support farmers](#) affected by flooding was also announced, with grants of up to £30,000 to help repair man-made flood banks. The UK Government also announced an additional [£60 million in funding for the Scottish Government](#) which, while intended for flooding relief, can be allocated freely.

- 32. [Levelling Up Fund](#):** Six regeneration and transport projects across Scotland are set to receive almost £122 million in the third round of the UK Government fund. Proposals for Moray, North & South Ayrshire, South Lanarkshire, Glasgow, Dumfries & Galloway and the Scottish Borders have each been awarded a share of the fund, which will see upgrades to their town centres, high streets and local transport. The [National Audit Office recently published a report](#) on the value for money of the UK Government's 'levelling up' programmes, which found delays in the progress of projects and areas for improvement in the management of the funding schemes.

## Education

- 33. [School building programme](#):** Ten local authorities are to be awarded funding worth £450-500 million in the third phase of the Learning Estate Investment Programme (LEIP). This phase includes a particular focus on Additional Support Needs (ASN) facilities, with six projects that include ASN capacity including three ASN schools. The latest round of investment means that every local authority that submitted a bid has now received funding for a project through the LEIP, which is a joint programme between the Scottish Government and COSLA.

## Other announcements

### Scottish Government

- 34.** A Learning and Evaluation Oversight Group, convened by the former Deputy First Minister and chaired by Professor Linda Bauld, published a report on [learning from Covid-19](#), with evidence and conclusions intended to inform Scotland's recovery from the pandemic. Areas covered include the experience of disadvantaged or marginalised groups, the impact of government interventions on existing inequalities, the importance of maintaining trust, and the capacity of services to respond quickly and flexibly.

### COSLA

- 35.** COSLA recently issued the following publications and announcements:

- [Welcoming UNISON's acceptance of the pay offer](#), meaning that all 3 main unions have now accepted the deal, which equates to half a billion pounds overall.
- [Recognising the contribution of unpaid carers](#) and promoting awareness of the rights carers have and sources of support available to them.
- Launch of "[16 Days of activism against gender-based violence](#)" campaign.
- [Joint statement with Scottish Government](#) on the strategic review of funding and commissioning of Violence Against Women and Girls (VAWG) services.

- [New Self-Harm Strategy Action Plan](#), made jointly with the Scottish Government.

## Improvement Service

36. The Improvement Service (IS) recently issued the following publications and updates:

- [Improvement Service 2023 Annual Report](#), detailing its programmes of support for councils in delivering better public services, and looking to the future
- [First meetings of the Leadership Practitioner Forum](#), part of IS's transformation work with Solace Scotland, looking at options for future delivery of services
- [A new fuel poverty dataset, the Scottish Fuel Poverty Index](#), which combines indicators of demand and ability to pay to assess council areas' fuel poverty risk
- [Launch of the Climate Intelligence Service](#), a new programme designed to support local authorities to deliver local climate action and benefits for their communities.

## Scottish Parliamentary committees

37. During November, Parliamentary committee business was as follows.

### Local Government, Housing and Planning (LGHP) Committee

38. The [LGHP Committee](#) took evidence on:

- Visitor Levy (Scotland) Bill (including from COSLA and from Tom Arthur, Minister for Community Wealth and Public Finance)
- Council Tax Freeze (from Tom Arthur)
- The [Council Tax \(Variation for Unoccupied Dwellings\) \(Scotland\) Amendment Regulations 2023](#) (which would enable councils to increase council tax on second homes by up to 100%)

39. The Committee also considered its approach to scrutiny of the [Housing \(Cladding Remediation\) \(Scotland\) Bill](#), and considered the [Non-Domestic Rating Contributions \(Scotland\) Amendment Regulations 2023](#).

40. Meanwhile, the Committee wrote to Joe FitzPatrick, Minister for Local Government Empowerment and Planning, with the [outcomes of its Pre-Budget Scrutiny](#) in relation to local government.

### Public Audit Committee

41. The [Public Audit Committee](#) took evidence on:

- Investing in Scotland's infrastructure – from the Auditor General
- Adult Mental Health – roundtable evidence sessions with stakeholders

### Finance and Public Administration (FPA) Committee

42. The [FPA Committee](#) took evidence on:

- Circular Economy (Scotland) Bill: Financial Memorandum; the Committee subsequently published its report on this (see below).
- Scottish Fiscal Framework (between the Scottish and UK Governments) – independent report and review, and VAT assignment in Scotland.

43. The Committee also scrutinised and approved the Autumn Budget Revision 2023-24.

44. Meanwhile, the Committee published its [Pre-Budget Scrutiny 2024-25 report](#), covering areas such as economic and fiscal context, National Outcomes, financial transparency and accountability, spending priorities, and Public Service Reform. Media coverage of the report focused on three main concerns expressed about the Scottish Government:

- affordability does not appear to be a key factor in its decision-making
- little evidence of a shift away from a short-term approach to financial planning
- no overall strategic purpose to the Public Service Reform programme, with limited oversight and direction from Government.

45. The Committee also published its report on the Financial Memorandum (FM) to the Circular Economy (Scotland) Bill. The 'framework' Bill requires Ministers to help develop a circular economy that reuses materials rather than send them to waste; the practical details are to be implemented through Regulations. The report strongly criticised the limited detail and "entirely unrealistic" assumptions in the FM, particularly in relation to costs and revenue associated with local government activities, stating:

"The FM underestimates costs in relation to enforcement, education and communication campaigns and the infrastructure required to ensure that local authorities are able to adhere to the mandatory code of practice. ...

"Ensuring all local authorities are financially able to utilise the enforcement powers will be important if the Bill's ambitions are to be delivered."

## Other Committees

46. Three Committees – Health, Social Care and Sport; Social Justice and Social Security; and Criminal Justice – held a [joint meeting on tackling drug deaths and drug harm](#), in which they took evidence from Elena Whitham, Minister for Drugs and Alcohol Policy.

47. A number of Committees concluded their Pre-Budget Scrutiny 2024-25, including:

- [Constitution, Europe, External Affairs and Culture](#)
- [Net Zero, Energy and Transport](#)
- [Rural Affairs and Islands](#)
- [Social Justice and Social Security](#)

48. The Social Justice & Social Security published a report on [addressing child poverty through parental employment](#).

49. The Health, Social Care and Sport Committee wrote the following letters of note:



- A [letter to Maree Todd](#), Minister for Social Care, Mental Wellbeing and Sport, regarding the National Care Service (Scotland) Bill. The letter asked a series of questions about the process for and content of amendments to the Bill that will need to be brought forward to incorporate the shared accountability approach agreed with COSLA. A response was due by Wednesday 6 December 2023.
- A [letter to Michael Matheson](#), Cabinet Secretary for NHS Recovery, Health and Social Care, regarding the Health and Care (Staffing) (Scotland) Act 2019. The letter seeks a number of updates on implementation of the Act – due to commence in full in April – and related ongoing work. A response is due by 12 January 2024.

**50.** Meanwhile, the following have been the subject of evidence-taking by Committees (links to any specific evidence sessions are available on request):

- Agriculture and Rural Communities (Scotland) Bill – Stage 1
- Alcohol (Minimum Pricing) (Scotland) Act 2012 – post-legislative scrutiny
- Children (Care and Justice) (Scotland) Bill – Stage 2
- Circular Economy (Scotland) Bill – Stage 1
- Education Reform
- Healthcare in Remote and Rural Areas
- Just Transition for the Grangemouth area
- Just Transition for the North East and Moray
- Kinship Care
- National Outcomes
- Policing mental health in Scotland – HMICS thematic review
- Skills Delivery Landscape – independent review by James Withers
- The Promise
- UN Convention on the Rights of the Child (Incorporation) (Scotland) Bill
- Victims, Witnesses, and Justice Reform (Scotland) Bill – Stage 1
- Women's Health Champion

## Other publications and updates

### SPICe

**51.** The [Scottish Parliament Information Centre \(SPICe\)](#) published a detailed briefing on [Key Issues for Session 6 – 2023 Update](#). A summary of this briefing will be provided in January's Secretary's report.

**52.** Meanwhile, SPICe published blog posts on:

- [Embedding Deliberative Democracy in a Participatory Parliament](#)
- [Institutionalising Post-Legislative Scrutiny](#)
- [Cost crisis: Constituency support for enquiries related to the cost of living and the cost of doing business](#)
- [How is Scotland Performing?](#) (National Performance Framework)

- [How is Scotland's labour market performing? We know with less certainty than we used to...](#)
- [Earnings in Scotland 2023 – recent growth but sluggish longer term](#)
- [Renewable energy map of Scotland](#)
- [UK Autumn Statement 2023](#)

## LGIU

- 53.** The Local Government Information Unit (LGIU), a membership organisation for local government, recently published the following blogs and reports relating to Scotland:
- [The State of Local Government Finance in Scotland](#) (13 December; available via [the LGIU website](#) – a summary will be provided in January's Secretary's report)
  - [Three key questions for local government finance in Scotland](#) (16 November)
  - [Five international lessons for Scottish local government finance](#) (9 November)
  - [Best Value: supporting sustainable local government](#) (12 October; members only)
  - [Council Tax: happy 30th anniversary or time for change?](#) (1 March, recently referenced)
- 54.** We are currently actively seeking to reinstate our membership of LGIU in order to access the full range of resources. We are also engaging with LGIU staff to ensure the Accounts Commission's work is accurately represented in LGIU publications.

## Updates on previous queries

- 55.** The Commission's response to the Scottish Government's 'Democracy Matters' consultation was submitted on 28 November 2023, following feedback received from members via email. The response – provided in Appendix 1 to this report – was brief and high-level, recognising that the consultation was primarily aimed at communities.
- 56.** In response to a request at the November meeting to make audit scopes and other outline documentation of audits available to members via the SharePoint site, this information is currently being sought and is being collated in the [Current audits](#) folder. Making this information available will allow members to keep informed of work that is ongoing, and assist the Commission Support Team in managing members' workloads.

## Consultations

- 57.** The following consultations or calls for views were opened this month.
- [Social Care \(Self-directed Support\) \(Scotland\) Act 2013](#) (*Health, Social Care and Sport Committee call for views; closing date: 5 January 2024*)



This Act was intended to ensure that care and support is arranged, managed and delivered in a way that supports choice and control for individuals. The Committee wants to hear about whether the Act is producing expected outcomes, and if not, why not? They want to hear from anyone who has a view on, or experience of, self-directed support, including people with lived experience, experts, staff and organisations supporting individuals in receipt of care.

*A draft response to this call for views has been produced, and is provided in Appendix 2 to this report; members are invited to provide any comments.*

- [Amendment to the Local Authority \(Capital Finance and Accounting\) \(Scotland\) Regulations 2016](#) (Scottish Government consultation; closing date: 22 December)

This consultation seeks views on proposed amendments to the Regulations that set out the statutory requirements for the borrowing and lending of money and for loans fund accounting, and to Local Government Finance Circular 7/2016, which sets out proper accounting practices for loans fund accounting.

*As this consultation concerns a technical and operational matter, a response will be provided by Audit Scotland, produced by the Innovation and Quality team. Members are asked to note the response, provided in Appendix 3 to this report.*
- [Care Leaver Payment policy proposals](#) (Scottish Government consultation; closing date: 26 January 2024)

This consultation is to gather views on the proposed Care Leaver Payment – a one-off payment of £2,000 to young people moving on from care, part of a wider package of support intended to reduce some of the financial barriers faced when moving on from care and into adulthood and independent living. The consultation contains questions on a range of issues including the purpose of the payment, the eligibility criteria, and the support required to apply for and manage the payment.
- [Additional Support for Learning \(ASL\) in Scotland](#) (Education, Children and Young People Committee call for views; closing date: 31 December 2023)

The Committee is undertaking post-legislative scrutiny of ASL and wants to know people's experiences of how services are provided. The inquiry is focusing on the implementation of a presumption of mainstreaming, the impact of the pandemic, and use of remedies set out in the Act to resolve disputes as to whether provision is adequate to meet a child's needs. The Committee wants to hear from a range of people including parents, teachers, support staff, carers and pupils.
- [Education Reform: provisions of the Education Bill](#) (Scottish Government consultation; closing date: 18 December 2023)

In 2022 the Scottish Government announced that the Scottish Qualifications Authority (SQA) would be replaced with a new qualifications body, and that a new independent inspectorate will be established, ensuring alignment with the wider inspection system. This consultation seeks views on the proposals to replace the SQA, and on approaches to maximise the role inspection plays in providing assurance and supporting teachers and others to improve education in Scotland.
- [Mental Health Moratorium](#) (Scottish Government consultation; closing date: 22 January 2024)

Following a review of Scotland's statutory debt solutions, and recommendations by a stakeholder working group, the power to create a Mental Health Moratorium was included in the Bankruptcy and Diligence (Scotland) Bill, introduced in April 2023, as a specific tool to ensure access to breathing space and respite for those with mental health difficulties and financial challenges. This consultation aims to build on work and engagement undertaken so far, to help shape implementation.

**58. The Commission is invited to:**

- Provide any comments on the draft joint response to the call for views on Self-Directed Support, provided at Appendix 2
- Provide any views on whether and how the Commission should respond to any of the other above consultations, and
- Ask the Executive Director of Performance Audit and Best Value to consider and draft responses as appropriate, taking into account any views expressed by Commission members

## Appendix 1: Commission response to Democracy Matters consultation

The Accounts Commission welcomes the opportunity to comment on the Democracy Matters consultation. The specific questions you raise are ones for local communities and individuals to respond to, but we would wish to signal our overall support of this review in furtherance of the wider issue of community empowerment and involvement in local decision-making.

As we reported in our [Local Government Overview 2023 report](#), councils must work with local communities to make difficult choices about the future of their local services. In 2019, we also produced a report, [Principles for Community Empowerment](#), which you may find relevant to the issues posed in the consultation. Effective community empowerment takes time and sustained effort, with strong leadership, engagement and motivation between all parties, so it is essential to understand how best to focus limited resources to achieve the most benefit.

In addition, the Commission supports the incorporation of the EU charter of local self-government, holding the view that councils are best placed to understand the needs of their communities and deliver local services best suited to those needs. We believe this approach is necessary to realise the full benefits of the community empowerment and local democracy ambition.

The Local Governance Review was launched in 2017 and paused during the pandemic, so we welcome this consultation as a means of gaining an understanding of the current appetite for engagement among local communities in the current climate. We will follow with interest the progress of the second phase of the review through the Democracy Matters consultation.

## Appendix 2: Draft joint response to Self-Directed Support call for views

### Background

1. Audit Scotland, the Accounts Commission and the Auditor General for Scotland welcome the opportunity to respond to this call for views.
  - The Auditor General for Scotland (AGS) is an independent crown appointment, made on the recommendation of the Scottish Parliament, to audit the Scottish Government, NHS and other bodies and report to Parliament on their financial health and performance.
  - The Accounts Commission is an independent public body appointed by Scottish ministers to hold local government to account. The Controller of Audit is an independent post established by statute, with powers to report directly to the Commission on the audit of local government.
  - Audit Scotland is a statutory body established under the Public Finance and Accountability (Scotland) Act 2000. It is Scotland's national public sector audit agency which provides the Auditor General and the Accounts Commission with the services they need to carry out their duties.

2. Public audit provides independent assurance that public money is spent properly and is providing value for money. Social care, and its importance to health and wellbeing, has been an important issue for the Accounts Commission and the AGS for many years. We have published several reports and outputs in this area, including a Social Care briefing (2022), Integration Joint Boards: Financial analysis (2022 and 2023), Health and Social Care integration (2015 and 2018), Self-directed support (2014 and 2017) and Social work in Scotland (2016) – all our reports in this area since 2015 can be found [here](#).

## Implementation of self-directed support

3. In August 2017, we published a joint [report](#) which considered whether there was sufficient progress in implementing self-directed support (SDS) to achieve the aims of the ten year SDS strategy. Specifically looking at:
  - Progress councils and integration authorities had made in implementing SDS
  - The impact SDS was having on people with support needs, carers, families and communities
  - Factors that were supporting or impeding effective implementation of SDS
  - How effectively the Scottish Government was supporting implementation of SDS and evaluating its impact
4. The report found that while there were many examples of positive progress in implementing SDS, authorities are yet to make the transformation required to fully implement the SDS strategy. The report also found that while there were many examples of people being supported in new and effective ways through SDS, not everyone was getting the choice and control envisaged in the SDS strategy.
5. As part of this work we gathered information from supported people and carers. We found not everyone with support needs is getting the choice and control set out in the SDS strategy. This includes people with mental health problems, who often need more flexible support. There can be good reasons for lack of choice, including protection from harm or limited options in rural or remote locations, but some people feel they have been denied the opportunity to access more effective ways to improve their quality of life. The results of this work are set out in [Supplement 2 – Audit methodology and survey results](#)
6. The report set out a series of recommendations for the Scottish Government, COSLA, integrated joint authorities and partners to make improvements including in relation to:
  - authorities working in partnership with service users, carers and providers to increase flexibility and choice, and make processes simpler and more transparent;
  - providing staff with further training on identifying and planning for outcomes, and supporting them to apply professional judgement
  - the Scottish Government, COSLA and partners working together to agree on the allocation of future financial support and seek solutions to address recruitment and retention problems.

7. In December 2019, we followed up with an [impact report](#) which found that while authorities were yet to make the full transformation required to fully implement the SDS strategy, some steps were being taken to address our recommendations including:
  - the refinement and development of accurate data and methodologies to understand the impact of SDS on people who need support although this was still ongoing
  - a review of independent information, advice and advocacy people need for SDS had been carried out to inform funding for the next three years
  - the Scottish Government is publicly reporting on its plans, strategies and outcomes achieved through public funding
  - a new SDS implementation plan had been produced for 2019-2021 as part of a wider programme of activity to support local reform of adult social care. This was done in partnership with key stakeholders including service users and carers.
8. We have not done any direct work around the implementation of self-directed support since our impact report. However, through our ongoing engagement with the social care sector we understand that an implementation gap remains. There remains wide variability in how the SDS policy is implemented across Scotland with a mixed experience for people in having full choice and control of their support.

### **Appendix 3: Response to Capital Finance and Accounting consultation**

To follow