Local government policy ACCOUNTS COMMISSION update



Item 5

Secretary to Accounts Commission Meeting date: 9 May 2024

Purpose

1. This report provides updates on significant recent activity relating to local government. Similar updates are provided through the Weekly Digest, sent to members by Audit Scotland's Communications Team and available via the members' SharePoint site.

Recommendations

- **2.** The Commission is invited to:
 - Note this report and consider any implications for its work programme
 - Agree the recommendations regarding responding to consultations.

Recent publications and engagement

- 3. Below are details of the media coverage, download statistics and social media engagement for reports issued recently by the Commission.
 - Best Value in Falkirk Council (2 May 2024) published after this report was prepared and issued; details of media coverage and social media engagement will be provided in the next report.
- 4. Quarterly download statistics for Commission publications are also provided, to supplement the usual monthly data. The figures covering the four quarterly periods up to and including March 2024 are provided in Appendix 1.

Media and Parliamentary monitoring

- 5. Jo Armstrong and Andrew Burns, along with Carol Calder, Blyth Deans and Lucy Jones from Audit Scotland, gave evidence to the Local Government, Housing and Planning Committee on Tuesday 23 April. Questions and discussion focused on the Financial Bulletin 2022/23 and related issues including Commission priorities, councils' financial sustainability, and calls for transformational change.
 - See the Official Report (substantive transcript)
 - Watch the recording (the first 75 minutes of the session).
- 6. Meanwhile at its meeting on Thursday 18 April, the Public Audit Committee took evidence on the Auditor General for Scotland's Work Programme from Stephen Boyle, Auditor General for Scotland, and Audit Scotland. The Accounts Commission was mentioned during discussions on care experienced children and fiscal sustainability. A summary of the Work Programme was provided to the Committee in advance by Audit Scotland, which briefly references the Commission in the introduction.

- 7. Unions warned that <u>Scotland faces a summer of strikes</u> if an upcoming pay offer from councils fails to meet their demands. It is understood councils are budgeting for a three per cent rise on average; however, unions are seeking an average of seven to eight per cent, and more for the lowest paid. Unions are also unhappy at the delay in COSLA making an offer for 2024/25, having submitted a pay claim in January. Council leaders discussed options for a pay offer at a meeting on 26 April.
- 8. The leader of the Scottish Trades Union Congress (STUC) warned that councils will be "on the brink of collapse" if budget constraints continue to lead to cuts to public services. Speaking at the STUC's annual congress, Roz Foyer said local authorities were already struggling to function, due to cuts inflicted by the Scottish Government, and argued that strike action is inevitable as workers fight not only for pay and terms and conditions, but to protect jobs and services that are vital to their communities.

Policy area updates

Health and social care

- 9. Care workers in three council areas Falkirk, Renfrewshire and West Dunbartonshire went on strike and held a joint rally in a dispute over equal pay that unions claimed could bankrupt local authorities. The row comes after care workers, who are mostly low-paid women, rejected internal reviews of their pay grades, arguing that their responsibilities have significantly increased, and that their roles are undervalued compared with similar work done by male colleagues. The GMB union warned that councillors "have their heads in the sand" over the matter, which it says could have a "disastrous" impact on communities, with workers claiming up to five years' back pay.
- **10.** The Scottish Parliament approved a 30% increase in the minimum unit price of alcohol with the rate now set to rise from 50p to 65p per unit from the end of September 2024. The policy, which came into force in May 2018, was due to expire at the end of April but has now been extended indefinitely, and the rise is intended to reflect inflation. While doctors and alcohol recovery groups supported the increase, they expressed "grave concern" that prevention services for those at most risk are insufficient.

Housing and homelessness

- **11.** The Scottish Government announced an <u>extra £80 million for affordable housing</u> over the next two years. The housing budget was previously cut by nearly £200 million; this new funding partly reverses that reduction, bringing the Affordable Housing Supply Programme budget to nearly £600 million in 2024/25. The funding aims to boost affordable housing supply by enabling councils to acquire properties, and to reduce homelessness, and comes after four councils have declared a housing emergency.
- 12. Figures from Glasgow City Council showed more than 2,600 homes in the city have been empty for more than six months, with more than 1,600 vacant for over a year. The council is working to reduce the number of vacant properties across the city through its Empty Homes Strategy, with almost 600 brought back into use in 2022/23. A number of Compulsory Purchase Orders have also been completed or are ongoing, with the council working with housing associations to buy empty properties. It is also writing to owners of empty buildings

- such as offices, and considering offering grants, to encourage them to bring their properties back into use.
- **13.** Scotland has nearly 10,000 empty council houses, equivalent to the number needed to end the child homelessness crisis, according to research for the charity Cyrenians. Aberdeen City Council has 2,400 vacant homes – the largest number reported in the survey, which asked for the number of 'voids' in the past month. Voids include homes waiting to be re-let. and houses earmarked for demolition or major works. COSLA said councils are making every effort to reduce voids – which they say account for 3 per cent of their housing stock, of which "a good proportion" are due for demolition.
- 14. Almost all councils have implemented new powers to charge double the rate of council tax on second homes in 2024/25. Falkirk, Glasgow City and North Ayrshire are the only councils that have chosen not to double the tax. A second home is any home that is not used as someone's main residence but is occupied for at least 25 days in a year. As well as giving councils flexibility to raise more revenue, the changes also aim to help increase housing availability by encouraging more homes to be used for living in.

Climate change

- **15.** The Scottish Government is <u>scrapping its interim target</u> of cutting greenhouse gas emissions by 75% by 2030, as well as its annual targets – although the overall target of reaching net zero emissions by 2045 will remain in place. Annual progress will still be reported, and the country will adopt five-yearly carbon budgets. The Government also announced a new package of climate action measures including:
 - plans for more electric vehicle charge points
 - a "route map" for delivering a 20% reduction in car use
 - pilot projects to cut emissions from agriculture and boost peatland restoration
 - a national integrated ticketing system for public transport.
- **16.** A new report by consultants has revealed last year's Storm Babet caused five years' worth of erosion damage to Musselburgh's beaches in two days, with around 4,000 cubic metres of sediment removed. The report says the storm has reduced the natural resilience of the beach, calls for short-term resilience measures, and warns about the impact of expected erosion on existing and proposed flood management structures.
- **17.** Meanwhile, more than a million tonnes of sand could be used as part of a coastal erosion plan for Montrose beach in Angus. Experts have warned that flood corridors could swamp the town in the next 30-40 years if nothing is done, after seven metres of dunes were lost in the last year, including sections of the historic golf links.
- **18.** Projects to install heat pumps in schools and leisure facilities in Dumfries & Galloway, Fife, Perth & Kinross and North Lanarkshire are among those to receive a total of £11 million in Scottish Government funding to decarbonise buildings. The funding – the first of its type to be made in the form of grants to public bodies instead of loans – follows a recent consultation on the Heat in Buildings Bill, which aims to transition all buildings owned by Scottish public bodies to clean heating systems by the end of 2038.

Education, children and young people

19. The Scottish Parliament passed the Children (Care and Justice) (Scotland) Bill. As part of wider work to embed the United Nations Convention on the Rights of the Child in law and Keep the Promise, the Bill contains a series of measures designed to improve children's experiences of the care and justice systems, whether victims, witnesses or children who have caused harm. It ensures children are kept out of prison, strengthens referral processes between courts and children's hearings, enhances secure and residential care arrangements, and improves regulation for cross-border placements.

Communities

- 20. The Scottish Government is <u>revising the National Islands Plan</u> based on the results of a consultation held last summer. The Plan aims to improve outcomes for island communities, but some respondents expressed concerns about depopulation, fuel poverty, digital connectivity, housing, economic opportunities, education, health and social care services, environmental protection and ferries. In its survey response, Comhairle nan Eilean Siar highlighted both positive and negative aspects of the current Plan, stating that it has an "important, positive role" to play in highlighting and addressing challenges, but that the Plan's impact in achieving better outcomes for islands is unclear due to the lack of an effective performance monitoring framework.
- 21. Communities in Shetland are being urged by the council to <u>create local place plans</u> (LPPs) to outline their development and land use aspirations. LPPs are a new type of statutory plan being introduced across Scotland, founded on the 'place principle', and are intended to ensure that a community's aspirations are taken into account in future planning and development decisions. The council says the LPPs will further support provisions already in place for community engagement, and it is providing a range of resources for community councils and hall committees who wish to launch an LPP.
- **22.** Falkirk Council has agreed to introduce <u>a new, formal way to present petitions</u>. The process will allow campaigners to attend council or committee meetings to formally introduce and hand over their petition. The new process adds to the existing ability for members of the public to speak at council meetings, and aims to draw attention to community issues and signal the strength of local feeling.

Infrastructure

23. Renfrewshire Council has approved a contract for around £825,000 to be spent on remediation work to address the presence of reinforced autoclaved aerated concrete (RAAC) in the roof of the gym at Castlehead High School in Paisley. The work will include installing additional steelwork supports, renewing lighting, and removing and reinstating main heating and water pipework for structural installation. Councillors accepted it was a very large bill but one that is necessary to ensure public safety. Meanwhile, West Lothian Council has confirmed a £4 million programme of work to address RAAC panels discovered in 69 individual council homes and 15 blocks of flats is expected to begin in August and continue until December 2025.

Council leadership

24. Argyll and Bute Council has a new ruling administration. The Argyll, Lomond and Islands Group, comprising Conservative, Liberal Democrat and independent councillors, has been replaced by what was known as the Strategic Opposition Partnership, which includes SNP,

Labour, and other independent councillors. After tied votes, cuts of the cards saw independent Cllr Douglas Philand named Provost, and the SNP's Cllr Jim Lynch named leader. The Liberal Democrat group, including former council leader Cllr Robin Currie, are now in talks to join the new administration.

Scottish Parliamentary committees

Local Government, Housing and Planning (LGHP) Committee

- 25. As well as its evidence session with the Accounts Commission and Audit Scotland, the LGHP Committee considered the following subjects recently:
 - Building safety and maintenance, and Housing to 2040 evidence session with the Minister, Paul McLennan
 - Community Wealth Building consideration of the evidence heard in a <u>roundtable</u> session on 26 March
 - Housing (Cladding Remediation) (Scotland) Bill Stage 2 proceedings
 - Housing (Scotland) Bill consideration of its approach to Stage 1 scrutiny
 - Rural and island housing
- **26.** The Committee also received an update from the Minister for Housing in relation to the Scottish Government's engagement with Aberdeen City Council since its decision to rehome tenants in properties affected by RAAC, as well as the Government's wider engagement with local authorities in relation to RAAC in their housing stock.

Public Audit Committee (PAC)

27. As well as the session on the Auditor General's work programme, the PAC took evidence on the Administration of Scottish income tax 2022/23.

Finance and Public Administration (FPA) Committee

- 28. The FPA Committee took evidence as part of its inquiry into 'Scotland's Commissioner landscape: A strategic approach', including from a range of current Commissioners.
- 29. The Committee also considered its draft Stage 1 report on the Aggregates Tax and Devolved Taxes Administration (Scotland) Bill.

Other committees

- **30.** Antony Clark (Executive Director of Performance Audit and Best Value) wrote to the Net Zero, Energy and Transport Committee on 28 March to provide follow-up information following an evidence session by the Auditor General on climate change governance on 12 March. The information concerns examples of good collaboration between councils and the Scottish Government to deliver on climate change commitments, following a question on this which was not within the Auditor General's remit to respond to. The letter referenced the Commission's 2022 briefing on Scotland's councils' approach to addressing climate change and referred to the forthcoming joint performance audit on climate change adaptation.
- **31.** Meanwhile, the following were the subject of Committee business recently (links to any specific evidence sessions are available on request):

- Abortion Services (Safe Access Zones) (Scotland) Bill Stage 1 report
- Additional support for learning
- Climate Change Committee report
- Climate Change People's Panel
- Disability employment gap
- Procurement Reform (Scotland) Act 2014 post-legislative scrutiny
- Scottish Languages Bill
- Social Care (Self-directed Support) (Scotland) Act 2013 post-legislative scrutiny
- Social Security (Amendment) (Scotland) Bill
- Suicide prevention in Scotland

COSLA and Improvement Service updates

- **32.** COSLA is inviting councils to submit their top projects and teams as nominees for the annual COSLA Excellence Awards. The five categories are: Service Innovation and Improvement; Achieving Better Outcomes for the Most Vulnerable in Partnership; Tackling Inequalities and Improving Health and Wellbeing; Strengthening Communities and Local Democracy; and Just Transition to a Net Zero Economy. COSLA President, Cllr Shona Morrison, said the awards can help showcase the transformation and innovation councils are undertaking, and how they are adapting to changing needs.
- 33. COSLA's Health and Social Care Spokesperson, Cllr Paul Kelly, authored a blog on "Leading in the digital age".
- **34.** The Improvement Service published the following updates in April:
 - Local Government Connect Network for early career professionals launched
 - Updated briefing on integrating planning and public health
 - Shaping Places for Wellbeing Programme April update
 - Bringing together our planning and place-based approaches

LGiU and **SPICe** updates

- 35. The Local Government Information Unit (LGiU) recently published the following briefings of relevance to Scotland:
 - Empowering futures: Services that support disabled children & families in Scotland
 - Through European eyes: Local government in the United Kingdom
 - Whatever happened to levelling up?
- 36. The Scottish Parliament Information Centre (SPICe) recently published the following blogs of relevance to local government:
 - How is Scotland Performing? latest quarterly data against national indicators
 - Scottish Budget 2024/25 All about the data and A review of the Budget process
 - National Care Service Does the end of Stage 1 bring clarity?

- Poverty and cost of living Below Average Resources new poverty measure, Is Scotland going to meet its child poverty targets?, Tackling the cost of living – Scottish Government policy and Additional Costs of Disability
- Decarbonising heating in Scotland the proposals for a Heat in Buildings Bill and current Scottish and UK policy
- Public sector pensions and the McCloud remedy
- What's in the Scottish Elections (Representation and Reform) Bill?
- A changing climate? The Scottish Government's newly announced policy package
- Connecting deliberative practices in Parliament with participation and community engagement

Updates on previous queries

37. Members were provided with updates concerning Scottish Government engagement around the proposed Human Rights Bill, and the Government's response to the consultation on amendments to the Local Authority (Capital Finance and Accounting) (Scotland) Regulations, via email from Joe Chapman on 24 April.

Consultations

- 38. The following recommendations are made by the Secretary and Audit Scotland staff regarding whether to respond to recently-opened consultations and calls for views:
 - Housing (Scotland) Bill (closing date: 17 May)

Recommendation: To follow.

The Local Government, Housing and Planning Committee and Social Justice and Social Security Committee are seeking views on the Housing (Scotland) Bill, which (among other provisions) includes new homelessness prevention measures and places duties on local authorities to assess rent conditions in their area.

- **39.** Meanwhile, though not formally considered for response, members may be interested to note a call for views by the Equalities, Civil Justice and Human Rights Committee, asking members of the public about how decisions about capital spending affect them. The call for views is part of the Committee's work looking at transparency in Scottish Government capital funding decisions, and their impact, ahead of the next Budget.
- **40.** The Secretary will advise verbally of any changes or updates regarding consultations.
- 41. The Commission is invited to agree to the recommendation above.

The table below shows the number of downloads of reports, or page views of blogs and web content, in each quarter of 2023/24, for publications issued during that period.

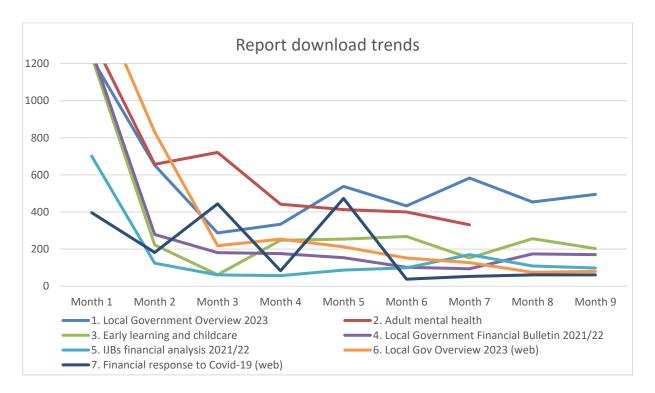
Publication	Date	Apr- Jun	Jul- Sep	Oct- Dec	Jan- Mar	Total
Best Value in Moray Council	28 Mar				564	564
Best Value in Orkney Islands Council	30 Jan				393	393
How we hold LG to account (blog)	18 Jan				116	116
S102 Renfrewshire: Dargavel	18 Jan				638	638
Local Gov Financial Bulletin 2022/23	16 Jan				1,376	1,376
Best Value in Dumfries and Galloway	11 Jan				429	429
Social care sustainability (blog)	14 Dec			181	201	382
Best Value in Dundee City Council	30 Nov			338	230	568
Best Value in South Ayrshire Council	2 Nov			431	196	627
20 years of Best Value (blog)	26 Sep		105	134	48	287
Best Value in Scotland	26 Sep		242	537	402	1,181
Adult mental health	13 Sep		1,341	1,820	1,144	4,305
S102 Glasgow equal pay	24 Aug		155	211	449	815
Accounts Commission annual report	29 Jun	60	229	259	252	800
City Region and Growth Deals	22 Jun	416	480	282	325	1,503
Public audit in Scotland 2023-28	20 Jun	249	453	600	478	1,780
Early learning and childcare	01 Jun	1,238	533	674	596	3,041
Local Gov Overview 2023 (web)	17 May	2,450	684	354	272	3,760
Local Government Overview 2023	17 May	1,881	1,159	1,470	1,230	5,740
Homelessness affects us all (blog)	27 Apr	696	102	59	48	905
Mainstreaming equality 21-23 (web)	25 Apr	590	124	57	79	850
IJBs financial analysis 2021/22	06 Apr	886	243	377	270	1,776

Downloads in first 6-9 months

The table below shows the outputs published since January 2023 that had the most downloads (or pageviews) for the first 6 calendar months following publication. This analysis helps to control for the fact that some reports have been available for less time.

Meanwhile, the graph below shows how six of the most popular outputs published in 2023 performed in terms of downloads or views in the months after their respective publication dates ('Month 1' is the month of publication, 'Month 2' is the following month, and so on). The key is in order of the finishing position of each line, from highest to lowest.

Publication	Publication date	Approx D/L in first 6 months
Adult mental health	13 Sep	3,950
Local Government Overview 2023	17 May	3,450
Local Gov Overview 2023 (web)	17 May	3,300
Early learning and childcare	01 Jun	2,300
Local Gov Financial Bulletin 2021/22	12 Jan 2023	1,700
Financial response to Covid-19 (web)	29 Mar 2023	1,600
Local Gov Financial Bulletin 2022/23 (3 months only)	16 Jan 2024	1,400



Analysis

Both the table and graph above show that the Adult mental health and Early learning and childcare reports performed strongly for a period of time after publication, as did the Local Government Overview report. This may be due to continuing scrutiny by Parliamentary committees. Meanwhile, downloads of the Financial Bulletin rose again slightly during autumn 2023, coinciding with pre-budget scrutiny and budget planning for 2024/25.

As has been stated previously, these statistics are just one indication of our engagement and impact, alongside other sources of intelligence such as media and Parliamentary monitoring. The figures capture the breadth, but not the depth, of impact. For example:

- The Financial Bulletin may have a narrower audience than some other national reports, but be of particularly high value to that audience.
- Similarly, the Dargavel and Moray Council reports received a lot of attention and coverage locally, which is not reflected in this data.