

Purpose

1. This report was formerly known as the Secretary's report, but has been renamed to better reflect its purpose – namely, to provide an update on significant recent activity relating to local government.
2. Much of the content of this report is derived from the weekly digests of media and Parliamentary mentions, Parliamentary committee updates, consultations and other relevant news updates, which are provided to members by Audit Scotland's Communications Team and are available through the [members' SharePoint site](#).
3. The report is complemented by monthly updates on the activities of the Chair and the Controller of Audit, which are also standing items on the agenda.
4. This month's edition of this report is mainly focused on developments relating to the Scottish Budget and other general issues relating to local government finance. Other publications and updates in the past month, including Scottish Parliament Committee business, will be captured in the February edition of this report.

Recommendations

5. The Commission is invited to:
 - Note this report and consider any implications for its work programme.
 - Agree to the recommendations highlighted at the end of this report and advised verbally during the meeting, regarding responses to consultations.

Recent publications and engagement

6. The Commission has recently issued the following publications:
 - [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*: Initial stats were provided in the December edition of this report; updated figures are not yet available.

- *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](#).
 - [A renewed focus on the sustainability of social care](#) (blog; 14 December 2023).
 - *Engagement statistics (14 – 18 December inclusive):*
 - 164 website page views
 - 711 opens and 83 unique clicks on the email ‘mailshot’
 - 1,155 views and 70 engagements on LinkedIn and X
 - 358 further views of posts on X by partner organisations
 - *Media coverage:* Scottish Housing News [reproduced the blog on its website](#).
7. Updated and comparative statistics will follow in the February edition of this report. In addition, quarterly and annual download statistics for Commission publications are provided to supplement the regular monthly statistics. The figures covering the periods up to and including December 2023 will also be provided in the February report.

Media and Parliamentary monitoring

8. The Paisley Daily Express reported on “[Renfrewshire Council facing further scrutiny over Dargavel Primary School debacle](#)”, referencing the Controller of Audit’s Section 102 report.

Scottish Budget

Overview

9. The Deputy First Minister and Cabinet Secretary for Finance, Shona Robison, announced the Scottish Government’s 2024/25 Budget on Tuesday 19 December. Key points included:
- A new 45% ‘advanced’ tax band for earnings between £75,000 and £125,140, and an increase to the top rate of tax – on earnings above £125,140 – from 47% to 48%, and a freeze to the threshold for the ‘higher’ (42%) rate at £43,663.
 - Non-domestic rates frozen for premises valued below £51,000, and full rates relief for most hospitality businesses on the Scottish islands – but no other relief for retail, leisure or hospitality, unlike the 75% reduction granted to those sectors in England and Wales
 - An inflationary increase in the Scottish Child Payment, to £26.70 per week from April 2024 – less than the £30 per week that had previously been pledged
 - An additional £550 million for NHS boards – a 4.3 per cent rise in cash terms – and more funding for culture, police, fire and justice
 - Funding for housebuilding reduced by a third, from £565 million to £376 million
 - Capital spending cut by £170 million – according to independent analyses, this equates to a 6 per cent reduction in cash terms, and 4 per cent in real terms

Local Government funding

10. The Finance Secretary announced that the Council Tax freeze will be funded on the basis of a 5 per cent increase for all councils – amounting to £144 million.
11. This contrasts with the following:
 - COSLA’s estimate of £300 million that they said was needed to fully fund the freeze
 - Fraser of Allander Institute’s estimate of £330 million (including funding for cancellation of the multipliers that had been consulted on), based on councils’ 2023/24 increases
 - LGIU’s research, in which three quarters of respondents said they had planned for increases of 5-10 per cent, and 1 in 9 said they had planned for more than 10 per cent.
12. Separately, in relation to the Local Government Settlement, [initial analysis by the Scottish Parliament Information Centre \(SPICe\)](#) suggests a 5% real-terms increase to total revenue funding compared to the 2023/24 Settlement; in addition, SPICe says the proportion of this funding that is formally ring-fenced is also smaller than the previous year.
13. However, [COSLA’s Budget Reality document](#) indicates a cut to core revenue funding of £62.7 million in cash terms compared to what they had expected when taking into account specific grant funding that was expected to be baselined in (‘built into’) the Settlement. COSLA’s response to the Budget warned that it “will leave Council services at breaking point” and could result in “an inevitable shift to providing statutory services only”.
14. Specific lines of funding for local government announced in the Budget include:
 - £1.5 million one-off emergency fund to help councils write off school meal debt
 - Funding to enable social care, early learning and childcare workers in commissioned services to be paid at least £12 per hour from April 2024
15. On capital funding, SPICe and COSLA agree there is a significant reduction; COSLA says the Settlement delivers a cash cut of £54.9 million (across core and specific grant funding). The [Fraser of Allander Institute](#) reports that local government capital grants will be £150 million lower compared to the 2023/24 budget – a 21% real-terms cut.

Other aspects

16. Another significant aspect of the Budget announcement was that only plans for 2024/25 were published – in contrast to the Scottish Government’s previously stated intention, and the commitment in the Verity House Agreement, to provide multi-year spending plans.
17. Although the Finance Secretary had made comments in the media, prior to the Budget announcement, about the need for public service reform – suggesting that this would be a feature of the financial plans set out – there was no detail on this in the Budget document.
18. The Finance Secretary did, however, provide a progress update on the Public Service Reform programme to the Finance Committee, as part of her [response to the Committee’s pre-budget scrutiny](#) (see pages 20-23). This set out intended short-term actions, including:
 - All Scottish Government portfolios to lay out savings and reform plans, and set out bespoke savings targets to public bodies (not local government) by the end of March
 - “Pay metrics” for 2024/25 to be produced following the UK’s Spring Budget.

General analysis

19. Meanwhile, other independent analysis of the Budget has highlighted the following:

- The most significant real-terms changes in total (resource and capital) funding for each Scottish Government portfolio compared to the 2023/24 Budget are as follows: ([SPICe](#))
 - Social Justice: up 11%
 - Justice: up 11%
 - Rural Affairs, Land Reform and Islands: down 9%
 - Wellbeing Economy, Fair Work and Energy: down 8%

Specific areas receiving funding announced in the Budget include:

- Digital connectivity including the R100 programme (£47 million extra funding)
- Energy efficiency upgrades and clean heating systems (£358 million provided)
- Transition to a circular economy (£49 million funding announced)

Specific areas seeing substantial cuts include: ([SPICe](#) / [Fraser of Allander Institute](#))

- Affordable Housing Supply Programme (reduced by £196 million – meaning a 37% cut in two years)
 - Just Transition Fund (the allocation for which is cut by 75%)
 - Energy transition capital funding (down by around £30 million).
- Even though the funding for the Council Tax freeze is less than local government had hoped for, the £144 million being spent on this policy is 1.5 times as much as is being raised from the increases in income tax on high earners. ([Institute for Fiscal Studies](#))
 - The health budget is again receiving larger increases than many other spending areas – and the Scottish Government has explicitly stated that the decision to prioritise health spending means it is less able to offer support to the business sector. It's a similar story with social security – the Scottish Government plans to spend £1.1 billion more in this area than the funding it receives for it from the UK Government through the Block Grant Adjustment; this figure is forecast to rise to £1.5 billion 2028/29. ([SPICe](#))
 - Compared to original 2023/24 Budget plans, resource spending is set to increase by 6 per cent in cash terms, 4 per cent in real terms, largely funded by higher-than-forecast tax revenues and UK government funding. Stripping out social security, the real-terms increase is 2.2 per cent compared to the 2023/24 Budget. However, real-terms revenue funding for 2024/25 is set to be slightly less than the latest position for the current year, and slightly less than had been expected a year ago. ([Institute for Fiscal Studies](#))
 - On income tax, the Scottish Government is applying inflationary increases to the *bands*, not the *thresholds*, for the Starter (19%) and Basic (20%) rates – in other words, it is the respective amount of income above the personal allowance that is taxed at each rate that is being increased by inflation, rather than the income thresholds at which the Basic and Intermediate (21%) rates begin to apply. ([Fraser of Allander Institute](#))

Local government finance issues

20. Prior to the Budget, COSLA had run a Budget Lobbying campaign on the theme of '[Councils are Key](#)', which highlighted the central role of councils in supporting local communities and delivering on the shared priorities – stated in the Verity House Agreement – of tackling poverty, supporting a just transition and providing sustainable public services.
21. COSLA's [main campaign document](#) included examples of councils and council services facing particular financial challenges, and warned that the cases of Birmingham and Nottingham city councils 'effectively declaring bankruptcy' could become a reality for Scottish councils if Scottish Government funding did not match growing cost pressures.
22. The main lobbying campaign announcement was supplemented by further statements on the following specific policy areas:
 - [Social care](#)
 - [Climate change](#)
 - [Council Tax and workforce](#)
 - [Tackling poverty](#).
23. Related to this, the Local Government Information Unit (LGIU), a membership organisation for local government, published a report on its research on the [State of local government finance in Scotland](#) – see the summary briefing at Appendix 1 to this report for full details.
24. Elsewhere, the Local Government Association released [results from a new survey](#) in which 18 per cent of council leaders and chief executives in England said it's 'very' or 'fairly' likely that their chief finance officer will need to issue a section 114 notice this year, while just over half are not very confident of funding statutory services to the end of 2024/25. Nearly two thirds expressed disappointment at a lack of support provided in the Autumn Statement.
25. Meanwhile, the Scottish Government and COSLA jointly issued an [update on progress towards a new Fiscal Framework](#) – in line with the commitment in the Verity House Agreement. The update states that, while there is more work to do, a draft framework is being produced, with some of it already being put into practice including improved engagement ahead of the Scottish Budget, and joint working on new local tax powers.
26. The Local Government, Housing and Planning Committee published its [Stage 1 report on the Visitor Levy \(Scotland\) Bill](#). The majority of members (all excluding Conservative MSPs Miles Briggs and Pam Gosal) support the principles of the Bill, stating that it is unlikely to deter visitors and has the potential to bring significant benefits to visitors, residents and the tourism sector, and welcoming the flexibility for councils to decide whether and how to apply the levy. The Bill's Stage 1 debate in Parliament is scheduled for Tuesday 16 January.

Policy area updates

National Care Service

27. The Scottish Government (SG) has provided detailed updated information on its plans for the National Care Service (NCS). This follows agreement with COSLA that accountability will be shared between SG, the NHS and local government, with functions, staff and assets no longer intended to be transferred out of local authorities.

- 28.** SG has also produced a revised Financial Memorandum, following criticism of the original version published alongside the NCS Bill in June 2022. The new version provides updated estimates for costs associated with the Bill as introduced, and separately estimates the costs that would arise under the revised plans for the structure and governance of the NCS.
- 29.** The information was provided in letters from the Minister, Maree Todd, to two Committees – the Health, Social Care and Sport Committee and the Finance and Public Administration Committee – and included responses to questions and concerns raised by each Committee. See Appendix 2 for a full summary of the proposed changes and revised costs.
- 30.** Related to the NCS, CELCIS published the [concluding report of its Children’s Services Reform Research](#), carried out at the request of the Scottish Government to form part of the evidence base for whether children’s services should be included in the NCS. The report concluded that structural changes are not sufficient in themselves to achieve improvement, that evidence on the impact of integration on outcomes is inconclusive, and that the current integration landscape would benefit from being simpler and more consistent.

Education

- 31.** Results from the latest Programme for International Student Assessment (PISA) study showed performance in Scotland’s high schools has slipped, albeit in line with global trends and in the wake of the Covid-19 pandemic. The PISA 2022 results for Scotland show:
- Reading performance fell from a score of 504 in 2018 to 493, but this is above the OECD average of 476, and higher than 24 other countries; Scotland ranks below England but above Wales and Northern Ireland in reading.
 - For both maths and science, Scotland’s scores also fell, but were similar to the OECD averages; Scotland ranks below England and Northern Ireland but above Wales in both.
- 32.** Meanwhile, official 2022/23 statistics on school pupils’ Achievement of Curriculum for Excellence levels in literacy and numeracy were published. The statistics, based on teacher judgement, report on the percentage of school pupils in P1, P4, P7 and S3 who have achieved the expected CFE Levels relevant to their stage. The statistics showed:
- In both literacy (73%) and numeracy (80%), the proportion of primary school pupils achieving the expected Level was the highest on record. For S3 pupils, the respective figures (88% and 90%) were both up on 2021/22 and close to the highest recorded.
 - The poverty-related attainment gap has closed slightly. For both literacy and numeracy, the gap between the proportion of primary pupils from the most and least deprived areas who achieved the expected level narrowed in 2022/23 compared to 2021/22 – to the smallest on record for literacy, but still slightly wider than previously for numeracy.

Updates on previous queries

- 33.** At the December meeting, a suggestion was made in relation to the Care Leaver Payment consultation. However, having discussed with Audit Scotland colleagues, the Secretary has agreed that there is insufficient material on which to base a response to this consultation. In future, such advice will be sought in advance of Commission meetings, in line with the new process for handling and responding to consultations, detailed below.

- 34.** Meanwhile, a joint response by the Commission, the Auditor General and Audit Scotland has been submitted to the Health, Social Care and Sport Committee's call for views on the Social Care (Self-directed Support) (Scotland) Act 2013. The response will shortly be available to read [on the Audit Scotland website](#).

Consultations

- 35.** As of January 2024, we are implementing a new process for handling and responding to consultations and calls for views, in line with guidance recently agreed with Audit Scotland colleagues. The key steps in this process are as follows:
- When a consultation (or call for views) opens, it is recorded on a consultation log by a member of Audit Scotland staff, who notifies the Policy Manager to the Commission and liaises with them to produce a short proposal on whether or not to respond
 - The Secretary to the Commission reviews and approves the proposal
 - This report will include a recommendation on whether or not to respond to the consultation, for the Commission to agree or disagree
 - In the event of a decision to respond to the consultation, Audit Scotland staff draft a response and liaise with the Secretary on the most appropriate means of gaining Commission approval; this will be influenced by:
 - the degree to which the response is purely factual, or provides comment
 - the sources of evidence used
 - the deadline for submitting the response.
 - Where a response is approved other than by the full Commission, the Secretary shares the response with all members via email for their information.
- 36.** The following Scottish Government consultations were recently opened:
- a) [Wellbeing and Sustainable Development \(Scotland\) Bill](#) (closing date: 14 February 2024)
 - b) [Social Housing Net Zero Standard in Scotland](#) (closing date: 8 March 2024)
 - c) [Proposals for a Heat in Buildings Bill](#) (closing date: 8 March 2024)
- 37.** At the time of writing the report, a recommendation had not yet been made regarding the consultations (b) and (c) above. The Secretary will advise of any recommendation verbally during the Commission meeting.
- 38. In accordance with the above process, the Commission is invited to:**
- Agree that a response should be submitted regarding the Wellbeing and Sustainable Development Bill, with approval of the response delegated to the Chair and Secretary
 - Agree to any recommendations regarding the other consultations, advised verbally by the Secretary during the meeting.

Appendix 1 – Briefing on LGIU ‘State of local government in Scotland’ report

The Local Government Information Unit (LGIU) recently reported the results of a survey of Council Leaders, Chief Executives and Directors of Finance in Scotland.

The report – [the state of local government finance in Scotland](#) – replicates similar work the LGIU has regularly carried out in England, and was intended to complement the Commission’s work with evidence of the mood and opinions of those responsible for finances within councils. More than 75% of councils were represented in the 42 responses.

This briefing analyses the key findings from the research and compares them with the findings from the most recent survey of councils in England, publishing in March 2023.

Behind the headlines

The report received widespread media coverage for its headline finding that ‘a quarter of councils in Scotland face effective bankruptcy’.

This was based on 24% of respondents, representing 8 councils, agreeing with a statement that “there is a danger that financial constraints will put your authority in a position where you no longer have enough funding to fulfil your statutory duties in 2024/25”.

While expressed (via LGIU’s press release) as a statement of fact, the actual finding is about the *opinions* of those involved. Nevertheless, it adds to a narrative – bolstered by COSLA’s budget lobbying messaging – about the dire prospects for council finances next year.

A comment left by one respondent in the survey said:

“It is just a matter of time before the first Scottish council goes bankrupt.”

Financial sustainability

Confidence in the sustainability of council finances in Scotland is critically low:

- Only 1 respondent said they were ‘quite confident’ about their council’s finances.
- Two thirds said they were ‘not at all confident’; the rest said ‘not very confident’.

By comparison, 1 in 7 respondents in England said – at the start of 2023 – that they had confidence in their council’s financial sustainability, and only 7.5% said there was a danger of their council being unable to fulfil their statutory duties. This aligned with the reality, whereas there is quite a disparity between the mood in Scotland and the evidence from audits.

Alongside this question, several Scottish respondents left comments such as:

“I have never been more concerned [about] capacity to deliver... services”
“We are genuinely doomed...”

Current financial pressures

There was widespread agreement on the most pressing issues in council finances:

- Inflation (100% of respondents)
- Ring-fencing of local authority budgets (97%)
- Recruitment of necessary staff (97%)
- Impacts of demographic change (95%)
- Service pressures from cost-of-living crisis (92%).

There is a notable contrast here with England, where only 37% of respondents said ring-fencing was a cause of pressure – this issue is largely specific to Scotland.

Comments included:

“Rather than purely ring fencing in Scotland, the issue is over directed spend particularly in funding to IJB’s and teacher numbers”

“Core funding is being hollowed out to fund Scottish Government priorities (but they are not being fully funded either).”

Council tax

All respondents had planned to raise council tax, often by a significant amount – three quarters had planned 5-10% rises, and 1 in 9 had planned an increase of more than 10%.

Unsurprisingly there were various comments criticising the council tax freeze announcement – in particular, respondents highlighted the knock-on effect for future years and the likelihood of the corresponding funding from the Scottish Government being insufficient

“A freeze does not just affect the immediate year but rather impacts the tax base in perpetuity - once lost it can never be regained.”

“We are aiming to move [upwards] towards the Scottish average over a number of years. The freeze is particularly unwelcome in that context. The compensating payment will inevitably fall short of our likely preferred increase.”

Balancing the budget

Nearly every council is having to use more than one of the other options listed below, and more than 90% of respondents said they were taking 3 or more of these measures:

- Cutting spending on services (100% of respondents)
- Increasing fees and/or charges (97%)
- Spending reserves (89%)
- Increasing commercial activity (67%)
- Increasing borrowing (45%)

This is similar to the results from England, except that only 52% of respondents there said they would be cutting spending on services, with more emphasis placed on revenue raising.

Cuts to council services

Most councils will be reducing spending on a large number of services, including many that we have identified as having seen their performance decline in recent years:

- Back-office corporate services (81% of respondents)
- Parks and leisure, Education services, Business support (64% for each)
- Highways and transport, Arts and culture (60% for each)
- Libraries, Adult social care, Waste collection (50-55% for each)

Meanwhile, 76% of respondents agreed with the statement that “the 2024/25 budget will lead to cuts in frontline services which will be evident to the public” while only 24% said residents are currently able to access the same level of frontline service as this time last year.

Short-term and long-term service pressures

The table below lists the services that councils say are causing the greatest short-term and long-term pressure on the budgets.

Short-term	Long-term
Adult social care (34%) Children's services (34%) Education (25%)	Adult social care (79%) Education (10%)

What this shows is that councils are making cuts even to those services that are already most under strain and which present the greatest long-term challenges in terms of meeting demand – short-term reductions are having to be made that are contrary to long-term planning.

Analysis for England is complicated by the different tiers of local authorities, but adult social care (also the most common long-term pressure), children's services and education rank highly here too, along with housing and homelessness – the most common short-term pressure.

Central-local government relations

Councils' relationship with Scottish Government is critically poor – few respondents are happy with the progress made by SG in considering and involving local government in decisions, and no-one is positive about the delivery of a sustainable funding system.

- Only 10% of respondents thought the Verity House Agreement had led to improved communication with SG; 45% disagreed with this statement, with the council tax freeze being the most commonly cited reason.
- Just 1 person said they felt SG had listened to local government's needs in forming the budget; comments included: *"They may well listen but they don't act on that listening"*.

Most said it was too early to judge the VHA, but the council tax freeze was not a promising start.

There was also very little satisfaction with the progress being made on national policy areas, and significant pessimism about whether SG would prioritise issues and meet funding needs. For example, only 11% are happy with progress on implementing a long-term adult social care funding strategy, and just 23% are confident of future prospects on that issue.

Fiscal devolution

Finally, councils were asked which three measures for increasing flexibility in revenue raising and spending they think would have the greatest positive impact on their finances:

- Freedom to raise council tax (71%)
- Removal of ring-fencing (57%)
- Local share of income tax (33%)

Among other choices, 19% thought a tourism tax would have impact – likely to reflect the varying level of expected return from this measure in different council areas – while just 10% thought having more freedom to levy other local taxes would make a difference.

Appendix 2: Updates regarding plans for the National Care Service

In early December 2023, Maree Todd (Minister for Social Care, Mental Wellbeing and Sport) [wrote to the Health, Social Care and Sport Committee](#) (HSCSC) and to the Finance and Public Administration Committee (FPAC) to provide each with relevant updates on the Scottish Government's plans for the National Care Service (NCS).

The [information provided to the FPAC](#) included:

- Details of proposed changes to structures and governance following negotiations with COSLA, and responses to concerns raised by the FPAC in its [Stage 1 report](#) (18 pages)
- An updated and revised Financial Memorandum showing costs associated with two alternative new scenarios, as detailed below (58 pages)
- A Programme Business Case as requested by the FPAC (58 pages).

This briefing summarises the key points from the comprehensive update provided to the FPAC.

Key changes

There are 3 main changes that the Scottish Government (SG) intends to reflect through amendments to the [NCS Bill](#) at Stage 2 of the Parliamentary process:

- Reverting to **shared accountability**, as agreed with COSLA –
 - local authorities “will retain responsibility for all current functions and the delivery of social work and social care services” and
 - “there will be **no transfer of staff or assets**”
- **Reform of Integration Authorities** (IAs) instead of the creation of local Care Boards
- A joint NCS National Board – to which IAs will be accountable – with responsibility for:
 - Management of the shared accountability framework
 - High-level functions such as standards and guidance, performance monitoring, improvement, data analysis, and national commissioning and procurement

However, SG has also outlined its intentions with regard to:

- Powers for Scottish Ministers to provide direct funding to reformed IAs
- Exploration of requiring an **independent Chair** of each reformed IA, instead of the Chair being a representative of either local government or the NHS
- Use of powers in [the existing \(2014\) legislation](#) that have not yet been used in practice, such as allowing IAs to **directly employ Chief Officers** and other staff
- Enabling greater cooperation and pooling of resources across IA boundaries

Significantly, **full implementation of the NCS has been delayed by 3 years**, from the initial target of 2025/26 (by the end of the current parliamentary term) to 2028/29.

Revised costings

The revised Financial Memorandum (FM) provides updated costs under two different scenarios:

1. The Bill as introduced being taken forward with no significant changes – simply updating the costs on the basis of events since the original FM was produced.
2. The revised plans set out above – in particular, not establishing local care boards or transferring staff and assets, resulting in much lower costs associated with the NCS Bill.

As scenario 2 has, in broad terms, been agreed with local government, it is likely that these are the costs that can now be considered to be associated with the NCS Bill as it moves forward. The costs of scenario 1 are provided for comparison purposes and to address some of the concerns raised by the FPAC in its earlier scrutiny of the original FM.

The revised FM indicates:

- The changes intended to be made at Stage 2 are expected to save between £249 million and £1,276 million in total between now and 2031/32, compared to scenario 1.
- Almost half (£581 million) of this upper estimate for costs saved is accounted for by the saving resulting from not establishing and running up to 31 local care boards.
- The costs associated with transferring around 75,000 local authority staff (under scenario 1) would cost £270 million per year at a ‘steady state’ following full implementation.
- Proposed changes to IAs (for which estimated costs have been provided) include:
 - Provision for IAs to directly employ Chief Officers, Chief Finance Officers and a small, hosted team who will deliver HR, payroll and associated functions.
 - Costs to reflect the remuneration of additional lived experience members on reformed IA boards, and grant support for those members to ensure their full participation is not limited by caring responsibilities.
 - Funding to support employment and engagement work of new locality staff, more training for board members, and providing all documents in easy-read format.
- Creation of the new NCS National Board will be modelled on the basis of creating a new public body with its own operational staff complement, at an annual cost of £4-6 million.

Legislative amendments

The Minister’s letter to the HSCSC in particular is clear that a number of substantial changes will need to be made to the Bill at Stage 2 to reflect the key changes described above.

In addition, SG now plans to introduce amendments to the Public Bodies (Joint Working) (Scotland) Act 2014 as a more proportionate approach to achieving the intended reform.

Some provisions are expected to remain in some form, though. The National NCS Board is intended to have powers of intervention, for compulsory purchase of land, and for supporting training and research, while the transfer of functions between partners will also be enabled – including to support public service reform and innovations such as a Single Authority model.