

# Agenda

Wednesday 13 September 2023,  
9.30am

Audit Scotland offices, 102 West Port,  
Edinburgh, and online via Microsoft Teams  
502<sup>nd</sup> meeting of the Accounts Commission

1. **Apologies for absence**
2. **Declaration of connections**
3. **Order of business**  
The Chair seeks approval of business, including proposing taking items 9 to 17 in private for the reasons set out on the agenda.

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## Business requiring decisions in public

4. **Minutes of meeting of 10 August 2023** Interim Secretary
5. **Minutes of August 2023 committee meetings** Interim Secretary
6. **Strategy and work programme: Work programme update - September 2023** Executive Director of  
Performance Audit and  
Best Value

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## Business for information in public

7. **Secretary's update report** Interim Secretary

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## Any other public business

8. **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

9. **Chair's update report** Chair
10. **Controller of Audit's update report** Controller of Audit

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## Business requiring decisions in private

### 11. 2023 Local Government survey

[Item to be taken in private as it requires the Commission to consider confidential policy matters.]

Communications  
Manager

### 12. Best Value Legacy Report

[Item to be taken in private as it requires the Commission to consider confidential policy matters.]

Controller of Audit/ Audit  
Director Performance  
Audit and Best Value

### 13. Consultation response: Human Rights Bill

[Item to be taken in private as it requires the Commission to consider confidential policy matters.]

Director of Innovation  
and Transformation

### 14. Guidance on planning 2023/24 annual audits

[Item to be taken in private as it requires the Commission to consider confidential policy matters.]

Director of Quality and  
Support

### 15. Change Programme - update

[Item to be taken in private as it requires the Commission to consider confidential policy matters.]

Chief Operating Officer

### 16. Budget and Resourcing - update

[Item to be taken in private as it requires the Commission to consider confidential policy matters.]

Chief Operating  
Officer/Corporate  
Finance Manager

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## Any other private business

### 17. 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 of previous meeting

Interim Secretary, Accounts Commission

## 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.

## 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 also provided to members on a monthly basis – provides updates on progress from previous meetings.

# Minutes

Thursday 10 August 2023, 9.30am

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

501<sup>st</sup> meeting of the Accounts Commission

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## Present:

Ronnie Hinds (Interim Chair)

Malcolm Bell

Nichola Brown

Andrew Burns

Andrew Cowie

Sheila Gunn

Jennifer Henderson

Christine Lester

Tim McKay

Geraldine Wooley

## In attendance:

Helena Gray, Controller of Audit

Kathrine Sibbald, Interim Secretary to the Commission

Antony Clark, Executive Director of Performance Audit and Best Value (PABV)

Michael Oliphant, Audit Director, Audit Services (item 5)

Fiona Owens, Audit Manager (item 5)

John Cornett, Executive Director of Audit Services (item 6 and 11)

John Boyd, Audit Director (item 6 and 11)

## 1. Apologies for absence

It was noted that apologies for absence had been received from Ruth MacLeod and Sophie Flemig.

## 2. Declaration of connections

The following declarations of connection were noted:

Geraldine Wooley, in relation to item 7, as a member of the local Taxation Chamber.

Malcolm Bell, in relation to items 6 and 11, due to previous membership of the Scottish Joint Council (SJC) between 2015 and 2022. His past membership was not a sufficiently material connection to the subject matter of the Controller of Audit's report to recuse himself.

### 3. Order of business

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

- Items 9, 10 and 11 as they required the Commission to consider confidential policy matters.

### 4. Minutes of meeting of 15 June 2023

The Commission considered a report by the Secretary presenting the minutes of the meeting of 15 June 2023, including a summary of business arising from those minutes.

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

### 5. Housing Benefit Performance Audit programme

The Commission considered a report by the Audit Director of Audit Services providing an update on the Housing Benefit Performance Audit programme.

During discussion,

- Tim McKay enquired, in relation to option 2, if there was merit in trying to assess the accuracy of benefit payments and obtain data as part of the proposed option 3. Michael Oliphant advised that we would consider incorporating data on this if available from councils as part of the work. Tim responded that he would appreciate if those proposals were incorporated.

*Action: Audit Director, Audit Services Group*

- In relation to option 1, Malcolm Bell noted his disappointment about the quality of information available and asked what changes could be made to avoid this in the future. In relation to paragraph 6 and the Commission's commitment to joint work with Social Security Scotland, Malcolm asked how this would be reported. In response Michael Oliphant advised that the team are looking at the options of how best to report the work.
- Geraldine Wooley expressed her concern at the idea that we don't carry out an audit because there's no data. Geraldine asked that if we proceed with option 3 on over-payments, that the audit work includes consideration of under payment at the same time. Michael Oliphant agreed to consider what data is available on underpayments as part of this work.

*Action: Audit Director, Audit Services Group*

- Ronnie Hinds asked, that if we are going to look at underpayments, could this include failure to apply. Michael Oliphant advised that the team would consider how this might be included in the work.

*Action: Audit Director, Audit Services Group*

- Andrew Cowie referred to previous sponsor experience across the last two benefit audits and noted the value of creative discussions at the scoping stage to build opportunities to push boundaries in terms of encouraging councils to collect better data including seeking and recording customer feedback.

- Christine Lester commented on the fact that housing costs are often included in any Universal Credit payments so would like any impact of this to be reflected in the report. Michael Oliphant agreed to include some background information on the benefits landscape as part of this work and of links to universal credit.

*Action: Audit Director, Audit Services Group*

- Ronnie Hinds asked, in relation to the survey about customer experience data, if any of the councils advised if they had access from other data sources. Ronnie suggested the gaps in data described should be included in future discussions with the Improvement Service.

*Action: Interim Secretary and Audit Director, Audit Services Group*

Following discussion, the Commission:

- Accepted the recommendation of Option 3.
- Agreed to appoint Andrew Cowie as audit sponsor with a possible second sponsor being appointed in October 23 on completion of member recruitment.

*Action: Interim Secretary*

## **6. Statutory report: Equal Pay in Glasgow City Council**

The Commission considered a statutory report by the Controller of Audit on Equal Pay in Glasgow City Council.

Following questions to the Controller of Audit, the Commission agreed to consider in private how to proceed.

## **7. Secretary's update report**

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

During discussion:

- In relation to the How Councils Work webinar, Malcolm Bell volunteered to support the event on 7 Sept with Tim McKay. The Executive Assistant to the Commission has sent the details on to Malcolm.
- Christine Lester raised the issue of communications and asked if the SOLACE report on housing in Scotland could be signposted to all members. Christine is also interested in what the media said on this report.

*Action: Communications Manager*

- In respect of paragraph 62, Christine Lester asked who audits Circularity Scotland?

*Action: Controller of Audit*

- Geraldine Wooley in respect of paragraph 79, asked if we will be submitting a response to the consultation seeking views on the changes to the council tax system with regards to fundamental issues in Edinburgh on the visitor levy and its implementation. Ronnie

Hinds asked if audit evidence could be looked at to ensure the Commission remains within its remit. Geraldine is happy to be involved in future conversations if helpful.

*Action: Interim Secretary*

- Andy Cowie in respect of paragraph 63 noted the issues around rurality, island status, lack of perceived equity and the contentious issues around spending public money on constitutional change. Andy asked if auditors have a remit on commenting on this and if it's an area that should be monitored. Ronnie Hinds offered to pick up with the Auditor General to ensure both parties are aligned.

*Action: Chair*

- Tim McKay raised the question around whether a response had been submitted to the consultation on councillor remuneration as per previous minutes. Kathrine Sibbald offered to investigate and get back to Tim, circulating a copy to members.

*Action: Interim Secretary*

Following discussion, the Commission:

- Noted the report.
- Agreed to respond to the 3 consultations outlined within the report.

## **8. Any other public business**

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

## **9. Chair's update report**

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

During discussion:

- Christine Lester asked the Chair for an update on the recruitment for new members. The Chair advised that interviews were concluded on Monday and the panel were impressed with the quality of candidates from a good range of backgrounds. The panels proposals are now with the Minister for a decision.
- Ronnie Hinds also advised that Audit Scotland colleagues and the Commission Support Team are looking into the induction process for new members.
- Geraldine Wooley enquired about the recruitment process for a new permanent Chair. Ronnie advised that the timetable for the recruitment had just been signed off and the Public Appointment Team would be starting the campaign with a wider form of search being used and wider testing of candidates.

Following discussion, the Commission:

- Noted the report.

## 10. Controller of Audit's update report

The Commission considered and noted a report by the Controller of Audit providing an update on recent and upcoming activity.

During discussion:

- The Controller of Audit advised that meetings documented in paragraphs 7 and 8 of the report had to be cancelled due to unforeseen circumstances and were in the process of being re-arranged.
- Malcolm Bell asked in relation to paragraph 14 if there was anything else the Commission should be aware of with regard to the activity in England now. The Controller of Audit advised that an update will be brought to the August FAAC meeting about issues currently in England, including the risk of section 114 orders and the establishment of OFLOG.
- Nichola Brown asked in relation to paragraph 11 about the Strategic Improvement Project board's remit. The Controller advised that audit modernisation is the biggest improvement process under way at the moment.
- Ronnie Hinds in relation to paragraph 14 asked members if Amyas Morse should be added to the list of possible speakers to be invited to members private forums in the future.

Action: Interim Secretary

Following discussion, the Commission:

- Noted the report.

## 11. Statutory report: Equal Pay in Glasgow City Council (in private)

The Commission discussed how to proceed in relation to the Controller of Audit's Statutory report on Equal Pay in Glasgow City Council.

Following discussion, the Commission agreed to make findings to be published on 24 August 2023.

## 12. Any other private business

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

### Close of meeting

The meeting closed at 12:00 pm.

# Minutes of August 2023 committee meetings

Interim Secretary, Accounts  
Commission

ACCOUNTS COMMISSION 

**Item 5**

Meeting date: 13 September 2023

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## Purpose

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

## Recommendations

2. The Commission is asked to:
  - Approve the attached draft minutes of its Financial Audit and Assurance Committee (FAAC), Performance Audit Committee (PAC) and a joint meeting of the Committees, all of which took place on 24 August 2023.
  - Note the summary of the matters arising, as well as any other updates provided at today's meeting.

## Minutes

3. The minutes of the Committees meetings are attaches in Appendices 1-3.
4. Members should note that the action tracker – available on the member SharePoint site and also provided to members on a monthly basis – provides updates on progress from previous meetings of both the Commission and its committees.

# Minutes

Financial Audit and Assurance  
Committee

Thursday 24 August 2023, 9.15am

Online via Microsoft Teams

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## Present:

Tim McKay  
Geraldine Wooley  
Nichola Brown  
Ronnie Hinds  
Christine Lester

## Apologies:

Andrew Cowie

## In attendance:

Helena Gray, Controller of Audit  
Douglas Black, Interim Secretary  
John Boyd, Audit Director, Audit Services Group (ASG) (item 4)  
Anne MacDonald, Senior Audit Manager, ASG (item 4)  
Paul O'Brien, Director of Quality and Support, Innovation and Quality (item 5)  
Antony Clark, Executive Director of Performance Audit and Best Value (item 6)

## 1. Apologies for absence

It was noted that apologies for Andrew Cowie had been received.

## 2. Declaration of connections or conflict

Helena Gray declared a connection relating to item 4 as a homeowner in Highland Council.

## 3. Minutes of meeting of 27 April 2023

The minutes of the meeting of 27 April 2023 were noted, the Commission having previously approved them as a correct record and agreed the recommendations therein.

Arising therefrom, the:

- Chair thanked colleagues for the further information provided on the Finance Circular.
- Noted that all other actions were complete or would form part of the November FAAC update.

## 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:

- Asked to be kept informed by auditors of the RAAC issues (reinforced autoclaved aerated concrete) and highlighted the need for long term ongoing inspection by local authorities to ensure they are identifying relevant properties, inspecting them, and addressing their RAAC issues where appropriate. (Geraldine Wooley)

*Action: Controller of Audit*

- Asked for the Cost of Living (Tenant Protection) Act 2022 to be considered as a topic for inclusion in next local government overview report (Tim McKay)

*Action: Executive Director of Performance Audit and Best Value*

- Noted borrowing costs are having an impact on councils' capital projects. Is there any scope for future work in this area or inclusion in financial bulletin (Tim McKay)?

*Action: Executive Director of Performance Audit and Best Value and Controller of Audit*

- Regarding Paragraph 3 of the report relating to the Aberdeenshire IJB – suggested Moray IJB should have its own heading (Christine Lester)

*Action: Controller of Audit*

- With regards to voting by audit committee members, as mentioned in paragraph 18, consideration should be given to not commenting on this in the future (Tim McKay).

*Action: Controller of Audit*

- Asked whether ongoing monitoring of equal pay claims in Dundee City Council will be extended to all councils that are addressing equal pay claims (Tim McKay).

*Action: Controller of Audit*

Following discussion, the Committee:

- Noted the report, taking assurance that the auditors' responses to matters detailed therein recognised the scope of the risk identified and reflected appropriately the impact on planned audit work.

## **5. Accounting and auditing developments**

The Committee considered a report by the Director of Quality and Support informing members of accounting and auditing developments. This report is prepared six-monthly.

During discussion, the Committee:

- Queried if we will be responding to the call for evidence by the Financial Reporting Council on the new sustainability standards for the UK. The Director of Quality and Support assured the Committee that the team will look at any areas we can reasonably contribute to, and a suitable response would be drafted if this transpires.
- Ronnie Hinds referred to the Audit Quality inspection report; asked what the scope of the quality assessments entailed; and whether this information was taken into account by Audit Scotland when appointing firms. Antony Clark advised that this is considered by the

Audit Quality and Appointments Team, who routinely monitor this information and use it to inform their thinking around the procurement process.

- In response to a comment from Tim McKay with regards to the situation in England and addressing backlogs, Paul O'Brien advised the Committee that Kenny Oliver, the Executive Director for Quality and Improvement, would be leading a discussion at the Audit Scotland Executive Team on potential risks in Scotland and any action to be taken.

Following discussion, the Committee noted the report.

## **6. Risk assessment and implications for the work programme**

This item was the subject of a joint meeting with the Performance Audit Committee and is contained in a separate minute.

## **7. 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 09:45 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  
Sophie Flemig  
Malcolm Bell  
Jennifer Henderson  
Ronnie Hinds

## Apologies:

Sheila Gunn

## In attendance:

Antony Clark, Executive Director of Performance Audit and Best Value (PABV)  
Helena Gray, Controller of Audit  
Douglas Black, Interim Secretary  
Tricia Meldrum, Senior Manager, PABV (item 5)  
Jillian Matthew, Senior Manager, PABV (item 5)  
Mark MacPherson, Audit Director, PABV (item 5)  
Sally Thompson, Senior Manager, PABV (item 5)  
Carol Calder, Audit Director, PABV (items 6 & 7)  
Kathrine Sibbald, Senior Manager, PABV (items 6 & 7)  
Zoe McGuire, Audit Manager, PABV (item 7)  
Chris Lewis, Senior Auditor, PABV (item 7)  
Claire Richards, Senior Auditor, PABV (item 7)  
Jillian Matthew, Senior Manager, PABV (item 7)  
Ray Buist, Audit Manager, PABV (item 7)

## 1. Apologies for absence

It was noted that apologies for Sheila Gunn had been received.

## 2. Declaration of connections or conflict

Jennifer Henderson in relation to item 7, due to family connections in front-line social care in a Scottish Council.

Sophie Flemig in relation to item 5, as a member of the Scottish Courts and Tribunal Board.

Malcolm Bell in relation to item 5, as an Honorary Sheriff – of the Sheriffdom of Grampian, Highland and Islands – at Peterhead Sheriff Court.

### 3. Minutes of meeting of 27 April 2023

The minutes of the meeting of 27 April 2023 were noted, the Commission having previously approved them as a correct record and agreed the recommendations therein.

### 4. Risk assessment and implications for the work programme

This item was the subject of a joint meeting with the Financial Audit and Assurance Committee and is contained in a separate minute.

### 5. Justice, Education and Lifelong Learning cluster briefing

The Committee considered a briefing by the Executive Director of PABV on the Justice, Education and Lifelong Learning cluster. This focused on two topics: additional support for learning (ASL) and community justice.

During discussion, the Committee:

- Sophie Flemig noted that there is lot of pressure on the ASL system and some pathologising of the pandemic's impact. She suggested the proposed briefing paper about ASL is too service focussed and would benefit from including examples of prevention/early intervention. With regards to looking at ASL, Sophie suggested producing an output on the theme of prevention instead of the proposed audit outputs on the different topics.
- Antony Clark commented that in preparing for the drug and alcohol audit, there is likely to be a very strong prevention focus and that prevention is also a likely to be a theme in a number of other planned pieces of audit work such as in the area of child poverty. He reported that Audit Scotland is considering potentially producing an output on prevention that draws on and summarises the findings in this area from a range of our audit work as part of our ongoing interest in assessing and commenting on the effectiveness with which public service reform is being implemented.
- As regards alternatives to custody, Sophie suggested the team look at the range of bodies including all relevant partners involved in Community Justice Partnerships.

*Action: Executive Director of Performance Audit and Best Value*

- Christine Lester noted recently-published data showing a reduction in drug-related deaths and thanked Audit Scotland colleagues for “*all their great work*” on the drug and alcohol audit.
- Malcolm Bell suggested that instead of looking at the varied outcomes for children with ASL needs, the focus could instead be on addressing why we have so many people in the system already and looking at a preventative agenda? Malcolm also asked the team to address sustainability in alternatives to custody.

*Action: Executive Director of Performance Audit and Best Value*

- Andrew Burns agreed that a full performance audit on ASL should be delayed until after the new national performance framework is in place and agreed that a short sharp briefing should be published – by close of March 2024 – as a precursor, to keep the issues in focus. He also noted the substantive changes in community justice and the proposal's focus on governance, and agreed that governance and partnership working are definitely issues we should follow up on.

- Antony Clark noted that a March 2024 publication date might not be achievable for the ASL briefing because formal approval for this work has not yet been received from the Commission and the Auditor General for Scotland as scoping work has not yet begun. He noted that the paper could look at demands on, and capacity of, the ASL system before and after Covid, alongside data gaps and the prevention agenda.

*Action: Executive Director of Performance Audit and Best Value*

- Ronnie Hinds supported the ASL proposals in the paper and stressed the importance of highlighting data gaps as prominently as we can.

*Action: Executive Director of Performance Audit and Best Value*

- Christine Lester noted that the tranche of new Accounts Commission members joining it soon may have limited background on the issues being discussed and would need more background information to be included in the reports to the Commission and its committees. Antony Clark agreed that future audit reports and scoping documents would need more backstory.

*Action: Executive Director of Performance Audit and Best Value*

Following discussion, the Committee:

- Agreed to audit work on:
  - Additional support for learning
  - Community justice.

## **6. Local Government Workforce – Briefing slides**

The Committee considered briefing slides by the Executive Director of PABV on the Local Government Workforce.

During discussion, the Committee:

- Jennifer Henderson noted her excitement for this piece of work and supported the ideas around innovation – encompassing artificial intelligence/automation. They bring the potential for councils to focus their staff on the roles that only people can do. She highlighted the importance of looking at this from two angles, the technology and the people.
- Christine Lester was supportive of the audit work emphasising the potential of innovative thinking and joint roles, and encouraged time to be invested in these areas; with key engagement with our stakeholders. Carol Calder advised that hybrid working, shared services and upskilling would all be looked at as part of the work.
- Ronnie Hinds sought clarification on the scope of a different piece of work being undertaken on behalf of the AGS about workforce
- Ronnie Hinds supported the proposal to produce a blog, stating that the Commission wants to think about the nature/timing of comparable work and be at the forefront of looking at these issues from a local government perspective.

*Action: Executive Director of Performance Audit and Best Value*

Following discussion, the Committee:

- Supported the teams' proposals on the work in this area.
- Agreed to a blog about workforce challenges, focussing on the performance management of staff and the impact of post-Covid hybrid working arrangements on staff performance.
- Noted that Ronnie Hinds would be closely involved in matching sponsors to audit projects. New committee members (probably one or two) are to be allocated to the role of sponsor of this BV-related blog upon their appointment.

*Action: Accounts Commission Chair*

## **7. Social Care: Work programme proposals**

The Committee considered a report by the Executive Director of PABV on the Social Care: Work programme proposals.

During discussion, the Committee:

- Christine Lester posed the question of how public audit (the Commission, Auditor General and Audit Scotland) is going to comment on social care alone without commenting on community health; and asked for key learning from previous reports to be taken into consideration.
- Antony Clark replied that the team hopes the IJB report, with its expanded scope, will provide a platform to start commenting on these issues. The Auditor General is supportive of the Commission's voice being expressed in this area and looks forward to working together on broader pieces of work.
- Ronnie Hinds noted his excitement at plans to expand our coverage of IJBs and highlighted the need to focus on the quality of data. Ronnie also posed the question of whether it would be sensible to start with workforce as the first 'Spotlight' area if we could add greater benefit by focusing on another area? He noted that there may be limited value in audit work highlighting staffing level issues when the challenge councils face in recruiting staff is already well known. He suggested that the Commission could potentially add more value by focusing on topics such as leadership and commissioning area, where there may be greater scope for early improvement.
- Kathrine Sibbald responded that part of the rationale for proposing the focus on workforce is it is the main issue stakeholders have highlighted in relation to sustainability in the sector. She also explained that it would also allow for commentary on other issues including commissioning as there are such close links. .
- Jennifer Henderson urged the team to look at the timings of when we can have an impact and the order in which we do things in. The contribution of unpaid carers should be properly represented in roundtable discussions, and they should be remunerated for their time.
- Sophie Flemig asked what feedback had already been received from advisory groups in terms of their views in this area. Antony Clark explained this.
- Both Andrew Burns and Malcolm Bell confirmed their support for the programme for work and are happy with potential focus on commissioning which could have a bigger impact.

- Ronnie Hinds noted his thanks to Christine Lester on behalf of the Commission for her perseverance in the drug and alcohol work and continued efforts to increase the focus on health and social care issues.

Following discussion, the Committee:

- Agreed that the focus should be on commissioning, for the first 'Spotlight' theme.
- Agreed to delegate to sponsors the approach set out in paragraph 20 for approval of scoping documents for the planned Drug and alcohol services performance audit.
- Agreed that new members will be allocated to the role of sponsors for this audit on their appointment. Ronnie suggested that the team contact him in the meantime until sponsors have been appointed.

*Action: Policy Manager*

## **8. 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 13.10 pm.

# Minutes

Joint meeting of the Financial Audit and Assurance and Performance Audit Committees  
Thursday 24 August 2023, 10.15 am  
Online via Microsoft Teams

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## Present:

Ronnie Hinds  
Tim McKay  
Geraldine Wooley  
Christine Lester  
Andrew Burns  
Sophie Flemig  
Malcolm Bell  
Jennifer Henderson

## Apologies:

Andrew Cowie  
Nichola Brown  
Sheila Gunn

## In attendance:

Antony Clark, Executive Director of Performance Audit and Best Value (PABV)  
Helena Gray, Controller of Audit  
Vicki Bibby, Chief Operating Officer (Item 2)  
Douglas Black, Interim Secretary

## 1. Risk assessment and implications for the work programme

The Committees considered a report by the Interim Secretary, providing an updated assessment of business and audit risk. The Committees noted the short covering paper. In relation to Appendix 1 (Business risk: assessment), the Committees:

- Discussed risk 1c (Credibility, reputation, relationships, and stakeholder confidence – **failing relationships with audit partners**). Christine Lester queried the reference to PAC and the Controller clarified that the reference should in fact be PWF, for the Partnership Working Framework.
- Discussed risk 1d (Credibility, reputation, relationships, and stakeholder confidence – **Failing relationships with external stakeholders**). Jennifer Henderson questioned whether the situation has improved. Ronnie Hinds reflected that the Commission has not delivered on the external engagement work it set out to achieve; that recent interactions with stakeholders indicate there has been damage to the Commission's reputation; and work must be done to improve this. Christine Lester suggested that it would be useful to hear stakeholders' viewpoints. Tim McKay commented from a positive viewpoint on the Commission's engagement and considered its credibility is strong, in that councils still accept our findings and there has been a lot of recent engagement with the Scottish

Parliament. Andrew Burns suggested the Commission should not be too worried, given that it is likely to look at risk again in more detail once new members have joined in a few months' time. Malcolm Bell was comfortable with the way risk was set out in the paper. The Committees agreed the need to re-engage meaningfully with external stakeholders. Helena Gray advised that Simon Ebbett, Audit Scotland's Communications Manager, will be bringing the results of the local government stakeholder survey to the September 2023 Commission meeting.

Action: Simon Ebbett, Communications Manager

- Discussed risk 3a (Commission capacity, governance and leadership – **Business processes, planning and support**). Tim McKay asked for information on the costs involved in cancelling the Decision Time contract.

Action: Secretary

- Discussed risks 3b and 3d (Commission capacity, governance and leadership – **Leadership, skills and capacity; Support arrangements**). Geraldine Wooley voiced her concern around the risks involved in four experienced Commission members leaving at the end of September 2023; the Commission having an Interim Chair; and no permanent Secretary in post until October 2023. Ronnie Hinds agreed with Geraldine Wooley's comments around risks associated with Support Team personnel and asked for this issue to be included in the next risk report to the Commission. Geraldine also asked for the colour coding and the arrows to be explained more clearly.

Action: Secretary

In relation to Appendix 2 (Audit risk: assessment):

- The discussion focused on workforce planning. Tim McKay asked about how flexible the thematic reporting could be, and the possibility of changing the workforce planning theme. Antony Clark explained that it would be tricky to do this as work is already underway on this project, but the Commission could still do other pieces of work alongside the thematic project. Christine Lester added that although the pandemic has changed the way people work, there still needs to be agility when it comes to workforce planning. Antony advised that it is important for the Commission to focus on topics that have longevity.
- Ronnie Hinds noted that the risk paper is repetitive, with themes such as community empowerment and leadership featuring more than once. He asked what could be done to streamline the report. Antony agreed that the document needs to be improved. Jennifer Henderson said that she is happy to contribute to discussions about this.

Action: Secretary

Following discussion, the Committee agreed to:

- Look forward to receiving an updated, streamlined report in November 2023.

## 2. Partnership Working Framework

Minutes from this part of the meeting were considered by members in a separate paper.

### **3. 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 11.45 am.

# Strategy and work programme: Work programme update - September 2023

Executive Director of Performance Audit and Best Value

Item 6  
Meeting date: 13 September 2023

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## Purpose

1. This paper introduces the joint Auditor General for Scotland (AGS) and Accounts Commission work programme update.

## Recommendations

2. The Commission is invited to:
  - note the progress delivering the work programme from June 2023 to August 2023 (slide 3 of Appendix one)
  - note the planned products up to March 2024 (slides 4-5 of Appendix one)
  - agree the additions proposed to the programme (slides 6-7 of Appendix one)
  - feedback on confirmed and pipeline audit work to June 2025 (slides 8-11 of Appendix one), noting that this is flexible and can be revisited as part of future work programme updates.

## Background

3. In April 2021 the AGS and the Commission agreed a joint dynamic work programme. We published this on the Audit Scotland website on 24 May 2021, updating for changes since then. This is the ninth quarterly update of the programme and the next update will be in December 2023.
4. In August 2023 the Commission discussed strategic priorities for its work programme, the overall balance of its audit products and the allocation of resources across the programme. Outcomes from this discussion are being refined for further consideration and approval by the Commission.
5. This update is therefore more narrowly focused than normal – summarising recent products and proposing changes with a short-term impact. The update also summarises the resource impact of proposed additions, building on resourcing information considered at the strategy seminar. A broader assessment of the work programme against the Commission's updated strategic priorities will be set out in the December 2023 update.

## Considerations

6. Appendix one presents the work programme update. It aims to provide one report that meets the needs of the AGS and Commission, with clarity on who is producing which products and when. It includes:
- **What we've delivered:** From June 2023 to August 2023.
  - **What's coming up:** Planned audit products from September 2023 to March 2024 and agreed and pipeline audit products from April 2024 to June 2025.
  - **Decisions required:** Proposed changes to the programme.
7. In this update we have proposed adding five new Commission products to the programme. This includes two joint performance audits (sustainable transport and climate change adaptations), one joint briefing (additional support for learning) and two Commission blogs (social care and workforce). The estimated costs of these products are summarised in the table below.

Proposal	Estimated cost 2023/24 £000	Estimated cost 2024/25 £000	Total estimated cost £000
Add: sustainable transport joint PA	35	90	125
Add: climate change adaptations joint PA	28	85	113
Add: additional support for learning joint briefing	29	29	58
Add: social care blog	10	-	10
Add: workforce blog	-	15	15
<b>Total</b>	<b>102</b>	<b>219</b>	<b>321</b>

Note: Where a product is published jointly with the AGS the 50% of the estimated costs are assigned to the Accounts Commission and are shown above.

8. The annual capacity available for the Commission's work programme is £1,760k. Agreeing to these proposals would commit a further £102k in 2023/24 and £219k in 2024/25. This would bring total estimated commitments to £1,742k in 2023/24 and £1,235k in 2024/25. This means that available capacity for potential products would be £18k in 2023/24 and £525k in 2024/25. These amounts reflect the estimated costs of all products previously approved.
9. The Performance Audit Committee discussed potential future audit work on climate change at its meeting on 23 February 2023. Proposals to add performance audits on sustainable transport and climate change adaptations reflect those discussions.
10. The Performance Audit Committee discussed a cluster briefing on Justice, Education and Lifelong Learning, local government workforce and social care at its meeting on 24 August 2023. Proposals to add a briefing on additional support for learning and blogs on workforce and social care reflect those discussions.

11. In line with existing practice, the approval of proposals for the addition of joint products to the work programme is subject to agreement with the AGS.

### **Reviewing and resourcing the work programme**

12. We have been working closely with the Controller of Audit and the Commission support team on how best to bring together a strategic overview of the Commission's work programme, developing stronger links between the audit products, and the Commission's assessment of audit risks and its strategic priorities. This was a key area of focus for the Commission's strategy seminar in August 2023.
13. As the Commission finalises the articulation of its strategic priorities, we will analyse how the current programme and work in the pipeline aligns with these. This 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. We plan to include this analysis in our December 2023 update.
14. Other potential developments affecting the work programme discussed at the strategy seminar will be brought forward for the Commission's detailed consideration at future meetings. In advance of that no changes have been made to the existing programme as set out in this update, or in the assessment of resource commitments above.
15. 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 strategy seminar. The marginal cost of proposed changes to the programme has been incorporated into this update for the first time. We will continue to develop our approach in future updates in line with discussions at the strategy seminar.

# Dynamic work programme – quarterly update

September 2023

AUDITOR GENERAL 

ACCOUNTS COMMISSION 

- We delivered six audit products between June and August and there are a further 24 products planned between September and March. This includes the first six controller of audit reports as part of the Commission's revised approach to best value reporting (slides 3-5).
- This work programme update proposes adding six new products to the programme (slides 6-7).
- Slides 8-11 outline how we are continuing to develop the longer-term work programme, showing further confirmed and pipeline products to March 2025.
- Agreeing the Commission's proposals made on slides 6–7 would commit a further £102k in 2023/24 and £321k in 2024/25. This would bring total commitments to £1,742k in 2023/24 and £1,235k in 2024/25 v estimated annual capacity of £1,760k.

# What we've delivered: June to August

AUDITOR GENERAL 

ACCOUNTS COMMISSION 

## Statutory reports

South Lanarkshire College

Scottish Canals

Glasgow City Council

## Performance audits

Early learning and childcare:  
Progress on delivery of the 1,140  
hours expansion

## Briefings

Scotland's City Region and Growth  
Deals: Progress of the 2020 audit  
report recommendations

## Other audit products

Fraud and irregularity Annual report  
2022/23

Key:

Auditor General for Scotland

Accounts Commission

Joint – Auditor General and Accounts  
Commission

Audit Scotland

# What's coming up: September to March\*

## Performance audits

Adult mental health (September)

SG Heat in Homes (February)

Digital exclusion (March)

## Overview reports

NHS in Scotland 2023 (February)

## Briefings

Colleges sector (September)

Investing in Scotland's Infrastructure (September)

Scotland's public sector workforce (October)

Local Government Financial Bulletin (January)

National Strategy for Economic Transformation (February)

AGS Budget briefing - internal (February)

AC Budget briefing – internal (February)

## Statutory reports

Scottish Government Consolidated Accounts (November)

Scottish Prison Service (December)

## Other audit products

Four nations climate change (September)

Administration of Scottish Income Tax (January)

Audit assurance and risks report – internal (March)

Social Care Blog (November)  
PROPOSED

Key:

Auditor General for Scotland

Joint – AGS and Commission

Accounts Commission

Audit Scotland

\*Months in brackets in tables are indicative publication months

# What's coming up: September to March\*

Best Value
Best Value Legacy report (September)
Controller of Audit report: South Ayrshire Council (October)
Controller of Audit report: Dundee City Council (November)
Controller of Audit report: Dumfries & Galloway Council (December)

Best Value
Controller of Audit report: Orkney Islands Council (February)
BV Follow-up report: Shetland Islands Council (February)
Controller of Audit report: West Dunbartonshire Council (March)

## Key:

Auditor General for Scotland

Joint – AGS and Commission

Accounts Commission

Audit Scotland

\*Months in brackets in tables are indicative publication months

# Summary of proposed changes to programme

Change	Detail
Adding	<p><b>Making the most of public money (AGS):</b> We propose adding a performance audit looking at how the Scottish Government is managing its overall reform/ transformation programme to better meet people's needs, reduce demand through prevention and support financially sustainable public services. We will aim to publish this during autumn/ winter 2024.</p>
	<p><b>Climate change – Sustainable Transport (Joint):</b> We propose adding a performance audit looking at the progress in implementing sustainable transport, considering how this contributes to statutory emissions targets. We expect behavioural change to be a central theme of this work. We anticipate focusing on 20-minute neighbourhoods, touching on the implications for infrastructure investment and local planning. We will aim to publish this during autumn/ winter 2024.</p>
	<p><b>Additional support for learning (Joint):</b> We propose adding a short briefing to the programme in summer 2024. This will be a focused, quicker output highlighting the key ASL issues. It would build on the Commission's previous blog and provide a timely means of highlighting and reinforcing the Commission's and AGS' continuing concerns and the need for improvement. The briefing would focus on prevention, the continuing impact of Covid-19 on diagnosis and demand, data availability and service performance. It provides an opportunity to reinforce the urgent need for better data. The Commission and AGS may wish to consider a full performance audit of this area in later years after considering the impact the briefing has.</p>

# Summary of proposed changes to programme

Change	Detail
Adding	<p><b>Climate change – adaptations</b> (Joint): We propose adding a performance audit looking at how the public sector is leading action to adapt to the impacts of climate change that we know are already unavoidable. This will consider how well public bodies are ensuring we have resilient communities and businesses and that the poorest and most vulnerable in our communities are protected from the impacts of climate change. This requires a joined-up approach across different tiers of government. This is a wide-ranging topic potentially covering issues including flood protection, infrastructure investment, procurement and supply chains, environmental protection, empowering vulnerable communities and responding to catastrophic events. We will ensure audit work is carefully scoped to ensure it is manageable and adds value. We will aim to publish this in spring 2025.</p>
	<p><b>Social care</b> (Accounts Commission) - In line with discussions at the Commission's performance audit committee, we propose an initial blog from the Accounts Commission in Autumn 2023 to re-emphasise its continued interest in social care, its planned approach and initial areas of focus for its future work on social care.</p>
	<p><b>Local government workforce</b> (Accounts Commission) – In line with discussions at the Commission's performance audit committee we propose a blog on local government workforce issues during 2024/25, with the precise timing to be determined as detailed planning for other Local Government reporting is progressed. the blog will focus on themes including innovation, the impact of AI and digitalisation/robotics, multi-skilling, the impact of hybrid working and staff performance management.</p>

# Looking ahead – April 2024 to June 2025

AUDITOR GENERAL 

ACCOUNTS COMMISSION 

# Summary of agreed products: April 2024 to June 2025

Product	Type	Author	Quarter
LGO Symposium	Event	Accounts Commission	TBC
Integration Joint Boards: Financial and performance analysis 2022/23	Briefing	Accounts Commission	Q1 24/25
BV Controller of Audit report: Clackmannanshire Council	BV CoA report	Accounts Commission	Q1 24/25
BV Controller of Audit report: Moray Council	BV CoA report	Accounts Commission	Q1 24/25
Best Value thematic report – Leadership	TBC	Accounts Commission	Q1 24/25
Drug and alcohol services	Performance audit	Joint – AGS and Commission	Q1 24/25
BV Controller of Audit report: Falkirk Council	BV CoA report	Accounts Commission	Q2 24/25
Annual fraud and irregularity report 2022/2	Annual report	Audit Scotland	Q2 24/25
National Fraud Initiative in Scotland	Other	Audit Scotland	Q2 24/25
Additional Support for Learning (PROPOSED)	Briefing	Joint – AGS and Commission	Q2 24/25

# Summary of agreed products: April 2024 to June 2025

Product	Type	Author	Quarter
Making the most of public money (PROPOSED)	Performance audit	AGS	Q3 24/25
Climate Change – Sustainable Transport (PROPOSED)	Performance audit	Joint – AGS and Commission	Q3 24/25
Local government financial bulletin 2023/24	Briefing	Accounts Commission	Q3 24/25
Primary care	Performance audit	AGS	Q3 24/25
NHS in Scotland 2024	Overview	AGS	Q4 24/25
Climate change – Adaptation (PROPOSED)	Performance audit	Joint – AGS and Commission	Q4 24/25
Local government workforce (PROPOSED)	Blog	Accounts Commission	TBD

# Summary of pipeline products: October 2023 to June 2025

Product	Type	Author	Quarter
Homelessness	Performance audit	Joint – AGS and Commission	Q3 24/25
Care experienced children & young people	Briefing	Joint – AGS and Commission	TBD
Community justice	Performance audit	Joint – AGS and Commission	Q4 24/25

## 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.

## Commission business and recent publications

4. Monthly updates on the activities of both the Chair and Controller of Audit are standing items on the Commission's agenda.
5. Information relating to recent [publications](#) and [blogs](#) is available online, with future planned publications and activities outlined on the members' communications schedule available on the [members' SharePoint site](#). This includes a list of planned publications and activities for the year, along with indicative roles for members in promotion and engagement activities. This document is live and is updated monthly.
6. On 24 August the Accounts Commission [published](#) a report "The 2021/22 audit of Glasgow City Council". The report confirms that the council has settled or is in the process of settling about 19,000 claims from former and current employees who had been underpaid in comparison to counterparts, at a cost of £765 million. To fund this, the council entered 'sale and leaseback' arrangements with council-owned bodies on cultural, sporting and education properties. Since this report was released close to the end of the month, view and download statistics will be reported to the Commission at its October meeting.

7. As part of the revised approach to preparing this update report introduced in 2023, it was agreed that quarterly and annual publication statistics for relevant Accounts Commission publications would be provided to supplement the regular monthly publication statistics. Quarter 2 2023/24 statistics (July to September) will be reported to the Commission at its October meeting.

## Issues affecting Scottish local government

### Scottish Government

8. On 22 August, the Scottish Government [announced](#) that Hjaltland Housing Association will receive £20m from the Scottish Government's Housing Infrastructure Fund to supply affordable housing in Shetland.
9. On 25 August, the Scottish Government [announced](#) a new funding package of up to £960,000 over three year, provided jointly by the Scottish Government and Nationwide Foundation. The funding to the Communities Housing Trust and South of Scotland Community Housing, is for housing projects which will support more affordable homes and facilities in remote and rural areas.
10. On 28 August, the Scottish Government [announced](#) the transfer of the Clyde Mission regeneration programme to the Glasgow City Region. The Clyde Mission has been working since 2020 to transform the riverside corridor running from Lanarkshire, through the City of Glasgow, to the sea. An additional £1.5m will be dedicated to the project, taking overall investment to over £40m.
11. On 30 August, the Scottish Government [published](#) the final report and recommendations from the sub-group of the Homelessness Prevention and Strategy Group. The group was set up to consider the steps needed to prepare for the introduction of the homelessness prevention duties. The report identifies actions across five priority areas, covering cross-sector culture change, recognition of the importance of a home, clarity on legislation, continuous cross-sector reflective practice, and cross-sector long-term resourcing.
12. On 05 September, the Scottish Government published its [Programme for Government \(PfG\) 2023-24](#), setting out the key legislation and funding commitments for the coming year. The programme is based around First Minister Humza Yousaf's three 'national missions' of equality, opportunity and community. Key commitments include over £400m investment in the Scottish Child Payment scheme, £750m for affordable homes in Scotland and reforms to planning for renewable energy.

### Health, Social Care and Covid Response

13. On 04 August, the Scottish Government [published](#) the Digital Health and Care Strategy delivery plan for 2023-24. The delivery plan describes activities supporting primary care, local authorities, health boards, health and social care partnerships, social care, social work, and care providers to offer new or improved services, whether through improved systems and infrastructure, or access to digital services.
14. On 04 August, the Scottish Government [confirmed](#) thirteen projects have been awarded funding as part of their Digital Inclusion Programme aimed at helping people to access online support services, initially in mental health and housing services. The first phase of this project is intended to benefit more than 1,500 people by building skills and confidence,

as well as offering devices to support access to digital services in mental health and housing.

### Social Security and Communities

15. On 06 August, the Scottish Government [announced](#) that organisations at the frontline of helping people facing poverty and hardship can now apply for a share of £1.6 million in funding to help tackle food insecurity. The Cash-First Fund is aimed at public sector and third sector partnerships to deliver cash grants for food and other essentials, helping to reduce the need for food parcels. Up to £200,000 will be made available to partnerships including community food initiatives, local authority teams, and money advice services.
16. On 13 August, the Scottish Government [announced](#) that almost £1 million has been distributed between advice agencies and other local services such as schools, charities, hospitals and mental health services to help people struggling to manage their household finances. The fund builds on the success of the Welfare Advice and Health Partnerships initiative that put dedicated advisers in to 180 GP practices in some of Scotland's most deprived and rural areas – to reach those most in need.

### Economy and business

17. On 10 August, the Scottish Government [published](#) an evaluation of how effectively No One Left Behind and the Young Person's Guarantee had been implemented, the experiences of service providers and service users, and lessons from early delivery. The evaluation, which took place between May and December 2022, found there was mixed feedback from local stakeholders on how well it had been implemented locally, although most perceived this positively.
18. On 30 August, the Scottish Government [confirmed](#) that The Ecosystem Fund is being relaunched this year to include initiatives encouraging young people to consider entrepreneurship. Applications providing access to support services for under-represented groups including women or those from disadvantaged areas will also be considered. Community groups, non-profit making organisations, industry bodies, colleges and universities are among organisations invited to apply for funding, with grants of up to £50,000 available.

### Scottish Parliament

19. During August, the Scottish Parliament Information Centre (SPICe) [published blogs](#) on: An update blog on the Scottish carbon capture and storage cluster, Electric vehicle charging – background and FAQs – updated 2023, NHS Dental Services in Scotland – Braced for change, Student support and fees in Scotland.

### Parliamentary committee news

#### Public Audit Committee

20. During August there were no meetings of the Public Audit Committee.
21. On 21 August, the Auditor General Stephen Boyle [wrote](#) to the Public Audit Committee to thank them for providing feedback on his work programme, confirming that this helps him focus on key topics of interest to the Parliament that will add greatest value in supporting effective parliamentary scrutiny.

### **Local Government, Housing and Planning Committee**

- 22.** During August there were no meetings of the Local Government, Housing and Planning Committee.

### **Finance and Public Administration Committee**

- 23.** During August there were no meetings of the Finance and Public Administration Committee.

### **Other Committee news**

- 24.** During August there were no committee meetings.

## **Local government news**

### **COSLA**

- 25.** On 28 August, COSLA [confirmed](#) that the second phase of the Democracy Matters national conversation had started. This phase will give people the opportunity to come together in their communities to imagine how new and inclusive democratic processes can best help their town, village or neighbourhood. Community groups can guide local discussions by using the consultation document which covers a variety of themes including powers, representation, accountability and participation.
- 26.** On 29 August, COSLA [confirmed](#) that they have agreed to the introduction of a Scottish Recommended Allowance for Foster and Kinship carers. While all local authorities currently provide these, the introduction of a Scottish Recommended Allowance is new. The introduction of this policy is being supported with £16m of funding from the Scottish Government.

### **Improvement Service**

- 27.** On 03 August, the Improvement Service [discussed](#) the new IS Strategic Framework and how it aims to respond to local government challenges and ambitions. The new Strategic Framework will help shape the direction of the Improvement Service and how they support local government improvement over the next four years, until 2027. In order to achieve these aims, the Improvement Service has identified four Strategic Priorities, assisting local authorities to transform and transition to new models of service delivery, supporting local government to deliver sector-led improvement in a range of policy and service areas, providing leadership and facilitating collaboration to enable a more preventative, integrated approach to tackling poverty and inequality, and supporting local government to deliver digital and data enabled transformation.
- 28.** On 24 August, the Improvement Service [reported](#) that the Shaping Places for Wellbeing Programme team had the chance to share some of the impacts of their work with the Public Health Scotland Board. The Shaping Places for Wellbeing Programme is a delivery partnership between the Improvement Service and Public Health Scotland, funded and supported by The Health Foundation and Scottish Government with support from COSLA which aims to improve Scotland's wellbeing and reduce inequalities.

### **Scottish Public Services Ombudsman and Standards Commission**

- 29.** We continue to develop our approach to reporting relevant information from both the SPSO and Standards Commission to the Commission. This will form part of the revised bi-annual Intelligence Report that is reported to the Commission's Financial Audit and Assurance

Committee, which will include specific information previously requested by the Committee which is not publicly available.

## Other scrutiny bodies

### Care Inspectorate

- 30.** On 08 August, the Care Inspectorate published a joint review of 25 adult protection partnerships in Scotland which found that many adults at risk of harm are safer and have enhanced wellbeing due to the joint efforts of social work, police and health staff. The report summarises the findings, themes and key messages from the joint inspection programme, and alongside the joint inspection report published in 2018 this provides a baseline of how effectively partnerships ensure adults at risk of harm are safe, supported, and protected.

### Other UK audit bodies

- 31.** On 01 August, Audit Wales [published](#) a report “Cracks in the Foundations – Building Safety in Wales” which looks at how the Welsh Government, local authorities and their key partners are implementing the requirements of the Building Safety Act 2022. The report found that although the changes to Building Control and Building Safety are welcomed, individuals responsible for implementing these changes are not well placed to deliver them and are unable to effectively carry out their roles to make sure buildings in Wales are safe. They also found that there are a wide range of problems facing the building control and building safety profession, including significant staffing challenges.

### UK Government

- 32.** On 09 August, Public Finance [published](#) an article reporting that Woking Council has published a draft of its improvement and recovery plan. The council needs to reduce its revenue budget by 25 per cent, sell some assets to reduce its debt and decide whether to continue with its biggest commercial ventures.
- 33.** On 16 August, Public Finance [published](#) an article reporting that the projected £11.6m overspend at Middlesbrough Council would nearly wipe out their useable reserves of £14.8m, and further use would put the authority close to a Section 114 notice.
- 34.** On 25 August, Public Finance [published](#) an article reporting that Unison have told councils in England and Wales that they will continue to battle for improved wages. Despite a warning from employers that it wouldn't improve its offer, Unison is seeking a 12.7 per cent increase for 2023-24. Council leaders said the tabled increase of £1,925 for those earning up to £49,950, and 3.88 per cent for higher earners, was their “full and final offer”.
- 35.** On 29 August, Public Finance [published](#) an article reporting that all staff at Birmingham Council are being invited to voluntarily resign for a fixed severance package as the authority struggles to cut costs to help it fund a £760m pay discrimination bill.
- 36.** On 05 September, Public Finance [published](#) an article reporting that Birmingham City Council has issued a section 114 notice, as it faces a £87m budget gap this year and the equal pay liability of three-quarters of a billion pounds. The authority has faced costs and setbacks including a faltering implementation of its Oracle IT system (£100m), a share of the 2022 Commonwealth Games (£184m) and an outstanding equal pay liability (£650m-760m, on top of the £1.1bn it has already paid).

## Scottish public policy news

37. On 02 August, the Scottish and UK Governments [confirmed](#) they have reached agreement on the Fiscal Framework, providing greater long-term funding clarity for Scotland and some more flexibility on how the Scottish Government can manage public finances.
38. On 08 August, SQA exam results were [released](#). The data, published by the Scottish Qualifications Authority, showed the overall pass rate for National 5, Highers and Advanced Highers has increased from the 2019 pre-pandemic level, with a record number of passes in an exam year achieved at National 5. The poverty-related attainment gap remains narrower than it was in 2019 across National 5s, Highers and Advanced Highers.
39. On 09 August, the Scottish Government [announced](#) that routine COVID-19 testing in hospitals, care homes and prisons is to be substantially reduced following clinical and scientific advice. Public Health Scotland and Antimicrobial Resistance & Healthcare Associated Infection Scotland have recommended a return to pre-pandemic testing due to the success of the vaccination programme and improved treatments.
40. On 17 August, GMB Scotland [confirmed](#) school and early years staff across ten local authority areas working across catering, cleaning, pupil support, administration and janitorial services will go on strike on Wednesday 13 and Thursday 14 September after its members rejected a 5.5 per cent pay offer.
41. On 22 August, the Scottish Government [announced](#) that figures, published by National Records of Scotland, show the biggest year-on-year decrease in drug-related deaths since the statistics series began. The figures found that 1,051 people died due to drug misuse in 2022, a decrease of 279 deaths (21 per cent) compared with 2021 and the lowest annual total since 2017.
42. On 25 August, the Scottish Government [announced](#) that in the past year there has been an 8 per cent growth in renewables capacity in Scotland. The Scottish Government has also published its draft Energy Strategy and Just Transition Plan, with analysis estimating the number of low carbon production jobs could rise from 19,000 in 2019 to 77,000 by 2050.
43. On 29 August, the National Records of Scotland [confirmed](#) that there had been 1,276 alcohol-specific deaths in Scotland in 2022, a 2 per cent increase on 2021. Female deaths rose by 31 to 440, while male deaths remained unchanged and continued to account for around two thirds of alcohol-specific deaths.

## UK public policy news

44. On 03 August, the Bank of England [announced](#) another rise in its base rate – from 5 per cent to 5.25 per cent. The bank said it now expects interest rates to peak at “just over 6 per cent” and stay at an average “just under 5.5 per cent” in the coming three years.

## Consultations

45. On 01 August, the Scottish Government opened a [consultation](#) on refreshing the strategic commissioning plans and performance reporting statutory guidance, initially published by the Scottish Government in 2015 and 2016. The purpose of the statutory guidance is to support integration authorities, who plan and direct the delivery of health and social care services, to produce strategic plans and annual performance reports. The Scottish Government brought together a working group, including organisations that represent

supported people, carer organisations, those who plan and oversee the delivery of services, and many more partner organisations partners from across health and social care, to refresh the guidance. Re-drafts of the guidance have been produced through engagement with the working group and the consultation is now seeking to capture further feedback and views on these revised guidance documents.

- 46.** On 28 August, the Scottish Government opened a [consultation](#) to provide the opportunity for individuals, organisations, and communities to help shape future local democratic systems and processes through Democracy Matters conversations. These conversations and the feedback gained through them will inform whether some decisions about a wide range of Scotland's public services that are currently the responsibility of either national or local government should be taken closer to the people they most affect. This will guide the work which Scottish Government, local government, public sector partners, and the community sector will need to do together to design in detail how the new arrangements could be made to work in practice in diverse community settings. To provide reassurance, a further stage of deliberation will follow the Democracy Matters conversations. This will involve people being invited to come together in different places to consider future arrangements set out in detail.
- 47.** The Commission Support Team recommend that the Commission request the Executive Director of the Performance Audit and Best Value group consider how best to respond to the above two consultations and draft responses as appropriate.