

MEETING: 12 SEPTEMBER 2019

REPORT BY: SECRETARY TO COMMISSION

UPDATE REPORT

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## Introduction

1. The purpose of this report is to provide a regular update to the Commission on significant recent activity relating to local government, as well as issues of relevance or interest across the wider public sector.
2. The regular Controller of Audit report to the Commission which updates the Commission on his activity complements this report. The Commission's Financial Audit and Assurance Committee also receives a more detailed update on issues relating to local government. This report also complements the weekly briefing provided by Audit Scotland's Communication Team made available on the extranet site, which provides more detailed news coverage in certain areas.
3. The information featured is also available on the Accounts Commission member portal. Hyperlinks are provided in the electronic version of this report for ease of reference.

## Commission business

### *Publications*

4. On 22 August the Best Value report for Perth and Kinross Council was [published](#). The report identifies that the council has robust financial planning which places it in a good position to tackle a projected budget shortfall of £52 million over the next five years. Residents are also more satisfied with their council services compared to the Scottish average. Many services are improving, particularly in the council's priority areas such as household waste recycling and care services. But national data suggests around one third of services are declining and some are performing below the Scottish average. As such, the council has been challenged to improve in these under performing areas.
5. Audit Scotland collects [media coverage](#) on all the reports published by the Accounts Commission. Audit Scotland also provides a weekly summary of the [key media stories regarding local government](#). Both are available through Audit Scotland SharePoint, on the Accounts Commission Members' Extranet.
6. The download statistics of the reports published over the last 12 months (as at 22 May) are set out in **Appendix 1**.

### *Other business*

7. On 26 June the Rural Economy and Connectivity Committee opened a consultation to understand the effectiveness of the current approach to roads maintenance in Scotland and the adequacy of current associated expenditure levels. The consultation will close on 6 September. The Accounts Commission submitted a [response](#) to this consultation.

8. On 6 August the Commission met with representatives of Clackmannanshire Council to discuss the published Best Value Assurance Report on the Council. The Commission was represented by Graham Sharp, Sharon O'Connor, Geraldine Wooley and Pauline Weetman. Also present were Paul Reilly, Secretary to the Commission and Gordon Smail Audit Director, Audit Services Group, Audit Scotland (appointed auditor). The Council was represented by councillors Ellen Forson (Council Leader – SNP), Donald Balsillie (Depute Leader – SNP), Dave Clark (Leader of Labour Group) and Bill Mason (Leader of Conservative Group). Council officers present were Nikki Bridle (Chief Executive), Pete Leonard (Strategic Director of Place (recently appointed but not yet in post), Stuart Crickmar (Strategic Director of Partnership and Performance) and Fiona McOmish (Strategic Director of People). The Council will consider the Commission's findings at its meeting on 20 August.
9. On 23 August the Accounts Commission submitted a [written response](#) to the Local Government and Communities Committee call for evidence on the long-term financial sustainability of local government.

### **Auditor General for Scotland**

10. On 29 August the Auditor General for Scotland [published](#) a report on the NHS workforce. The report noted the challenges that the Scottish Government is facing to increase the number of people working in GP surgeries, particularly in rural locations. The report found that government commitments to train additional GPs, nurses and midwives are on track - but it is not clear how many will go on to join the primary care workforce on the ground. There is also a lack of national data on current workforce numbers, costs, activity and demand.

### **Issues affecting local government**

#### ***Scottish Government***

11. On 16 July new figures were [released](#) which showed that there were 1,187 drug-related deaths in Scotland in 2018. This represents the largest number of drug-related deaths ever recorded.
12. On 17 July the Scottish Government [released](#) the first report from the Expert Panel on Environmental Charging and Other Measures (EPECOM). The panel recommends applying a charge of at least 20p to 25p on every disposable cup to encourage greater use of reusable alternatives. It also states there is no single solution to tackling throwaway culture but promoting cultural and behavioural change is critical to any scheme's success. The Scottish Government intends to respond to the report 'in due course.'
13. On 18 July HM Revenue and Customs (HMRC) released new [figures](#) which suggested that, in 2017-18, the Scottish Government raised almost £941m less than forecasted by the Scottish Fiscal Commission.
14. On 19 July the Scottish Government [published](#) guidance on the Partnership Delivery Framework to Reduce the Use of and Harm from Alcohol and Drugs. The framework refers to Audit Scotland's briefing on alcohol and drug services.
15. On 22 July Joe Fitzpatrick MSP, Minister for Public Health, [wrote](#) to the Home Office calling on them to work with the Scottish Government to help stop the rising drug deaths. The letter calls for a meeting between the two governments to tackle this problem and outlines future arrangements for a summit in Glasgow on the issue. This

would be attended by Government representatives, local authorities and the chair of Scotland's Drugs Deaths Taskforce.

16. On 22 July the Scottish Government [published](#) a toolkit containing an overview of the delivery of devolved benefits, delivery timetable and factsheets. It is designed for stakeholders such as public, third sector and charitable organisations who are involved in the delivery of, or providing advice on, the new social security benefits which are being devolved.
17. On 23 July the Scottish Government [published](#) new figures which show the average decision time for Local Development decisions in 2018-19. The average time for 25,244 Local Developments in 2018-19 was nine weeks. This matched the time for the previous year, which was the quickest annual decision time since the start of this data collection in 2012-13. Local housing applications were decided in an average of 12.3 weeks, which was slightly slower than the previous year (12.2 weeks). For the year 2018-19 the overall rate of approvals for all types of application was 93.7%. Statistics for [2018-19](#) and [Q1 2019](#) have also been published.
18. On 26 July the Scottish Government [launched](#) the National Basic Payment Support Scheme. This will provide financial support to Scottish farmers in advance of the UK's withdrawal from the European Union. Under the new scheme, loans will be offered to eligible farmers for up to 95 per cent of their Basic Payment Scheme 2019 payments – an increase of five per cent on previous years.
19. On 26 July the Scottish Government [published](#) guidance for public bodies on procurement from sources vulnerable to potential disruption.
20. On 26 July the Scottish Government [published](#) details on funding allocation figures for Alcohol and Drug Partnerships in Scotland from 2017 onwards.
21. On 30 July David Williams was appointed as the Scottish Government's new Director for Health & Social Care Integration.
22. On 31 July the Scottish Government opened a [consultation](#) on the new draft National Transport Strategy (NTS) for Scotland. It will close on Wednesday 23 October.
23. On 30 July new figures were [released](#) by the Scottish Government which showed that in 2018/19 there had been an 11 per cent increase in applications for a Crisis Grant since its launch in 2013. In 2018/19 the Welfare Fund received 193,230 applications for a crisis grants.
24. On 31 July the Scottish Government [published](#) an analysis of the National Performance Framework outcome indicators from the perspective of disability. Findings include a higher prevalence of poverty, food insecurity and material deprivation among disabled adults and children, as well as lower rates of employment and economic activity alongside evidence of a disability pay gap.
25. On 9 August the Scottish Government confirmed that plans for a [new rail link to Levenmouth](#) will proceed to the detailed design phase following a sustainable transport study. The proposed rail link will have stops at Leven and Cameron Bridge and is expected to cost around £70m.

26. On 13 August the Scottish Government published an [overview](#) of its Reaching 100% programme. The overview notes that the Government intends to award contracts for the programme by the end of 2019, with delivery timescales confirmed once suppliers are in place. Commenting on the exclusion of the 2021 target date for the Programme's completion.
27. On 20 August the Scottish Government released a [guide](#) for improving people's wellbeing when making budget decisions. The guide says decisions should take account of effects on existing inequalities and advance human rights. An Audit Scotland planning for outcomes paper is mentioned.
28. On 21 August the Scottish Government published the annual [Government Expenditure and Revenue Scotland](#) report. The report estimates the difference between how much the country raises in taxes and how much is spent on its public services. Compiled independently, today's figures show a fall in Scotland's public spending deficit of a further £1.2bn over the past year. The Chief Statistician estimates the country spent £12.6bn more on public services than it raised in taxes. This is lower than the £13.8bn deficit estimated for the previous year and is equivalent to 7% of the country's GDP. Total expenditure by the Scottish Government, UK Government, and all other parts of the public sector was £75.3 billion, an increase of 2.4%. This is equivalent to 9.3% of total UK public sector expenditure, and £13,854 per person, which is £1,661 per person greater than the UK average.
29. On 21 August the Scottish Government announced the [creation](#) of a leadership group to deliver community justice interventions. The group will meet today for the first time. The leadership group is formed of senior leaders from the justice, health and social work sectors and will focus on increasing public confidence in community justice. Humza Yousaf and Cllr Kelly Parry, COSLA's Communities and Wellbeing spokesperson, will co-chair the group.
30. On 23 August the Scottish Government announced the eight communities across Scotland which are set to [share](#) £817,000 of Local Rail Development Fund (LRDF) grants. LRDF supports local and regional initiatives through grants to fund appraisal work. The LRDF was announced in February 2019 as part of the Scottish Government's Rail Enhancement & Capital Investment [Strategy](#). The communities which will receive the funding include Dunblane, St Andrews and the Port of Leith.
31. On 26 August the Scottish Government published an [analysis of responses](#) to its consultation on a policy framework for devolved taxes. Audit Scotland's response is referred to several times.
32. On 26 August the Scottish Government [published](#) information on the use of facility time by recognised Scottish Government trade union representatives from 2018-19 has been published.
33. On 27 August the Scottish Government [announced](#) Social Security Scotland has paid out almost £13m in the first seven months of the Best Start scheme. Between December 2018 and June 2019, 42,000 payments to poorer families have been made. The Best Start Grant is a package of three payments – the Pregnancy & Baby Payment, the Early Learning Payment and the School Age Payment.

34. On 27 August the Scottish Government released information on its [strategy](#) for 5G. The Government estimates that 5G has the potential to add £17bn to GDP by 2035, create 160,000 new jobs and increase productivity by £1,600 per worker. Potential uses of 5G could include measuring blood glucose levels; creating localised flood warning systems; and contributing to the long-term sustainability of Scotland's rural economy.
35. On 28 August the Scottish Government [published](#) the remit of the Citizens' Assembly. Ministers will be bound to produce an action plan in response to recommendations from the Assembly within 90 days. The [remit](#) of the Assembly includes what it will consider and how it will decide its own agenda. The Scottish Government can also refer matters to the Assembly and reports from the Assembly will be brought before the Scottish Parliament for its consideration.

### ***Scottish Parliament***

#### *General*

36. On 17 July the Scottish Parliament's Information Centre (SPICe) [published](#) a briefing which provides an overview of the Scottish labour market. This information is taken from the latest regional labour market statistics released by the Office for National Statistics (ONS).
37. On 18 July the Institute for Government [released](#) their "Has Devolution Worked? The first 20 years" report. The report suggests that the devolution reforms in the Labour Party manifesto of 1997 allowed for the "separate identities" of Scotland, Wales and Northern Ireland to contribute to varying degrees of constitutional change. Regarding Scotland, the report suggests devolution has led to a "legitimacy deficit" towards Westminster and its centralised authority. It suggests that voters in Scotland now tend to trust their devolved bodies more so than the UK Government. The report also highlights the way devolution provides a fresh space for policy to be developed but this has grown complicated because of Brexit. It suggests that while devolution was positive for Scotland, it may have also contributed to the "left-behind regions", such as Sunderland, voting in favour of leaving the European Union.
38. On 29 July SPICe [published](#) their latest Brexit update report.
39. On 14 August SPICe [published](#) its labour market update for August.
40. On 21 August Jackie Baillie MSP received an answer to a parliamentary question she had submitted on the amount of funding awarded to local authorities to implement free personal care for people under 65 (Frank's Law) in 2019-20. The Cabinet Secretary for Health responded by saying: "The funding for the extension of Free Personal Care was part of an additional £160 million health portfolio funding that was made available via Local Authorities to support social care and integration as part of the 2019-20 Budget. It is for statutory partners to manage their budgets and allocate the total financial resources available to them, having first fulfilled their statutory obligations and the jointly agreed set of national and local priorities. The funding for the extension of Free Personal Care was linked to the stipulation that local authority social care budgets for allocation to Integration Authorities and funding for school counselling services this year must be at least £160 million more than in 2018-19. This ensures that even where areas have received funding for Free Personal Care that is beyond their currently projected levels of demand in this first year, funding for social care overall must

increase.”

41. On 27 August the Presiding Officer issued an [invitation](#) to the invited nine former members of the Scottish Parliament’s original Consultative Steering Group to reflect and report back on whether the Parliament has lived up to its founding principles. The group, which reconvened at Parliament yesterday, will present its findings at the Festival of Politics in October. It is also hoped the group will offer its views on parliamentary reform and the future of Holyrood.

### ***Parliamentary Committee News***

#### *Local Government and Communities Committee*

42. On 21 August the Committee has [published](#) a letter from COSLA regarding its budget scrutiny for 2020-21. Audit Scotland and the Accounts Commission are mentioned. This letter continues from evidence that COSLA gave to the LGCC. The letter reemphasises the pressures that local authorities are facing but also underlines the strong leadership that councils are showing in the face of budgetary pressures. The letter explains the role that COSLA has in bringing local partners together to share good practice. The letter stresses the importance of the Local Government Benchmarking Framework (LGBF) to ensuring that councils can continue to improve on the service that they provide to local communities. COSLA helps to bring partners together to reach political commitment around the LGBF. The letter provides details of further work that is being undertaken to further develop the LGBF.
43. On 26 August the Committee [published](#) a letter from Christina McKelvie MSP regarding its budget scrutiny. This letter provided details of recently published guidance that can be used to help policymakers further consider the needs of diverse groups when making budgetary decisions. The [‘Tackling inequality: guidance on making budget decisions’](#) challenges policy makers to systematically think through 6 key questions to identify ways in which budget decisions could be improved to tackle.

#### *Public Audit and Post Legislative Scrutiny Committee*

44. On 18 July the Committee [reported](#) that the Control of Dogs (Scotland) Act 2010 was not ‘fit for purpose’. The legislation, introduced in 2010, brought in a system of "dog control notices" to impose measures on people who do not keep their dog under control, while giving ministers the power to establish a national database of notices so information could be shared across the country. However, the Committee recently reviewed this Act and called on the Scottish Government to launch a comprehensive review of all dog control laws.

#### *Other Committees*

45. On 12 July the Social Secretary Committee [called](#) on the Department for Work and Pensions to halt a benefits pilot scheme that aims to move over 10,000 people onto Universal Credit.
46. On 26 August The Public Petitions Committee released a [SPICe briefing](#) for [PE1731: Permit audio recording of local government public meetings](#). This petition calls on amendments to be made to the Local Government (Scotland) Act 1973 to allow the audio recording of all public council meetings by members of the public. The briefing notes that 10 local authorities across Scotland record all public proceedings. Eight councils only broadcast meetings of their full council and 13 local authorities provide no broadcast service at all.

## **COSLA**

47. On 4 July the Scottish Government and COSLA [published](#) the 'Children and Young People's Mental Health Task Force: recommendations'. The aim of the Task Force was that children, young people, their families and carers should know that they are supported in good mental health and will be able to access services which are local, responsive and delivered by people with the right skills. The report has recommended that the work of the Children and Young People's Mental Health Task Force will now be taken forward by a new programme board - the Children and Young People's Mental Health and Wellbeing Programme Board.
48. On 14 August COSLA [published](#) their shortlist 2019 COSLA Excellence Awards. This awards ceremony is designed to celebrate innovative and effective responses to the major challenges that councils and their partners face.

## ***Community Planning Improvement Board***

49. The Community Planning Improvement Board (CPIB) provides dedicated support for community planning in Scotland.
50. On 27 August the Improvement Board met in the Scottish Enterprise's offices in Glasgow. Some of the items being considered at this meeting included a discussion around CPIB board member engagement activity. In addition, the board also had a discussion on national policy developments which the CPIB may wish to conduct further work on.

## ***By-elections results***

51. On 8 April the Scottish National Party's Grant Ferguson won the [East Kilbride Central North By-Election](#). This by-election was held following the death of the independent councillor, Sheena Wardhaugh.
52. Scottish Liberal Democrat candidate Beatrice Wishart fought off a strong challenge from the SNP to hold Shetland in a Holyrood by-election on 29 August 2019.

## ***Other Scottish local government news***

53. On 26 July it was [announced](#) that, following a tendering process, Argyll and Bute Council had awarded Hebridean Air Services with a four-year contract to deliver the airline service from Oban to the Hebridean Islands of Coll, Tlree and Colonsay.
54. On 28 July Prime Minister Boris Johnson [announced](#) the UK Government's commitment towards financially supporting Growth Deals for Argyll and Bute, Falkirk and the Islands.
55. On 14 August it was [reported](#) that road workers in Scottish Borders Council were planning on taking industrial action over changes that the local authority were making to their work terms and conditions.
56. On 15 August Highland Council [launched](#) a consultation on whether it should introduce a Transient Visitor Levy – more commonly known as a Tourist Tax. Running until Autumn 2019, the main Consultation consists of two components: an online questionnaire aimed at residents and tourism businesses, but also open to visitors;

and targeted face-to-face questionnaires with visitors at locations across Highland, conducted by the Moffat Centre for Travel and Tourism at Glasgow Caledonian University.

57. On 20 August Shelter [announced](#) that it is seeking public support for legal action it plans to take against Glasgow City Council. It has accused the local authority of breaking the law over 3,000 times last year and threatened legal action unless the practice of denying homeless people temporary accommodation comes to an end.
58. On 21 August Moray Council became the first council in Scotland to [remove](#) all of their school crossing patrols, as part of a programme of savings. It is hoped that this will help save £120,000.
59. On 22 August Reform Scotland [called](#) for the devolution of tax powers to local authorities. In a submission to the Local Government & Communities Committee's inquiry into the long-term financial stability of local government, Reform Scotland said local authorities should have greater powers, including over council tax. The thinktank also welcomed the recent changes to local authorities' powers, including the introduction of new tax powers for tourism and parking.
60. On 27 August Councillor Donald Crichton, chair of Comhairle nan Eilean Siar's joint consultative committee on crofting, [called](#) for a review of the Croft House Grant scheme after it was revealed that only 18 houses were built in the Western Isles in 2018-19 through the scheme. This scheme provides funding for crofters to build or improve housing, due to the nature of the crofting tenure making it difficult for them to access conventional property finance.

#### ***Other Scottish public policy news***

61. On 19 July it was announced that Alexandra Graham Campbell had been [appointed](#) as Convener of the Scottish Social Services Council.
62. On 30 July The Social Metrics Commission [published](#) their 'Measuring Poverty 2019' report. The report found that while Scotland's poverty rate had decreased in the ten years up to 2015-16, there was a rise in poverty levels in 2016-17 and 2017-18. 26% of single Scots and 42% of lone parents were found to be in poverty.
63. On 30 July a steering group comprising the Improvement Service, COSLA, SOLACE and Scottish Local Authority Economic Development (SLAED) [published](#) their 'Regional Approaches to Maximising Inclusive Economic Growth: Local Authorities' Perspective' report. This report examined the experience of councils in engaging in partnership working around economic development.
64. On 1 August Patrick Harvie MSP and Lorna Slater were [elected](#) as the new co-leaders for Scottish Green Party.
65. On 6 August 133,000 school pupils from across Scotland [received](#) their exam results. The pass rate for National 5 [increased](#) by 0.7% to 78.2%, while the pass rate at Higher decreased by 2% to 74.8%. There was also an increase of 4.4% in passes for English and a 1.3% rise in Maths, with an increase in overall entries of 2.4%. Over 54,000 skills-based qualifications have also been achieved.
66. On 6 August it was announced that Kate Wimpres had been [appointed](#) as one of the conveners of the Citizens' Assembly of Scotland, joining former Labour MEP David

Martin. Ms Wimpres is Director of North Edinburgh Arts and Chair of Scotland's Regeneration Forum.

67. On 7 August UCAS published [data](#) showing the gap between the number of students from the least and most deprived areas obtaining a place at university has continued to close. The number of 18-year olds from the most deprived areas accepted to university remained the same as last year, although the total number of 18-year olds living in Scotland decreased by 3%. The number of Scots domiciled acceptances to university decreased by 4%, while the number of non-EU domiciled acceptances increased by 9% to its highest ever level. EU domiciled acceptances decreased by 5%.
68. On 8 August Citizens Advice Scotland [launched](#) EU Citizens Support. This new dedicated service will help EU, EEA and Swiss nationals remain in the UK in the lead up to the UK's withdrawal from the European Union.
69. On 14 August the [Registrar General's Annual Review of Demographic Trends for 2018](#) was published, providing an insight into population trends in Scotland. In 2018, Scotland's population was 5.44 million, its highest ever. The main factor driving population growth was migration, however, the rate of population growth has slowed for the second year running. Over the last year, the population of mainly rural, island and west of Scotland local authorities decreased, while deprivation has caused life expectancy to stall in recent years.
70. On 21 August the Federation of Small Businesses (FSB) [released](#) their 'Transforming Towns: Delivering a Sustainable Future for Local Places' report. The report claims that at least 414 bank branch, shop and local premises closures have been announced for Scotland's towns and villages by business and the public sector since the start of 2016. The report outlines a series of recommendations for the UK and Scottish Governments to transform the fortunes of Scotland's towns. The report specifically calls on both governments to direct the Scottish National Investment Bank and the UK Stronger Towns Fund respectively to invest in Scotland's towns.
71. On 22 August the National Records of Scotland published [information](#) on population estimates for the 6,976 small areas of Scotland. Known as 'data zones', the information provides an insight into population demographics at a neighbourhood level. The data is used to provide population estimates for local authority wards, parliamentary constituencies and deprived areas. In mid-2018, the average number of people in a data zone was 780. The local authority with the highest average data zone population was the City of Edinburgh Council with 869 people, while Inverclyde Council had the lowest average data zone population at 686 people. Along with the publication, updates on [deprivation population](#) and [migration flows](#) based on classification have also been made available.
72. On 27 August the South of Scotland Economic Partnership (SOSEP) [announced](#) more than £1m for five projects to develop rural skills, community enterprises and female-led businesses.

## **Scrutiny, inspection, regulatory and related bodies**

### ***Scottish Public Sector Ombudsman (SPSO)***

73. [The SPSO's Newsletter - May](#) outlines investigation reports, recent SPSO news and highlights emerging issues. More information on the SPSO's work, including detailed investigations and decision reports, is available on the [Our findings](#) webpage. The Commission's Financial Audit and Assurance Committee will consider more detailed intelligence from the SPSO on a six-monthly basis (next at its September meeting).

### ***Standards Commission for Scotland***

74. On 4 July the Standards Commission [published](#) their latest quarterly update which provides information on the recent work that has been carried out by the organisation.

### ***Care Inspectorate***

75. On 24 July the Care Inspectorate [published](#) their Fostering and adoption 2018–19: A statistical bulletin report. The report shows that 90% of fostering services and 95% of adoption services were evaluated ‘good’ or better by inspectors. In 2018, local authority services approved fewer new households than the previous year (210 compared to 227) and independent services approved more (160 compared to 138). The number of children and young people using fostering services decreased from 5,315 in 2017 to 5,171 in 2018. An increasing number of children and sibling groups were placed in households approved by independent services between 2015 and 2018. At the same time, a decreasing number were placed in local authority approved households.
76. On 30 July the Care Inspectorate [published](#) the ‘Joint Inspection (Adults): The effectiveness of strategic planning in the East Dunbartonshire Health and Social Care Partnership’ report. The report concluded that the planning of health and social care services across East Dunbartonshire is improving but challenges remain. The report identifies five key areas for improvement in planning services, measuring performance, working with stakeholders to develop and deliver services and developing sustainable long-term financial plans.
77. On 2 August the Care Inspectorate, on behalf of the Scottish Government [produced](#) the ‘Space to Grow: indoor/outdoor settings. This guidance about indoor/outdoor settings intends to help with early learning and childcare expansion plans and to assist those looking to make improvements to their setting.
78. On 6 August the Care Inspectorate [published](#) their Inspection of ‘Justice Social Work Services in West Dunbartonshire Council’ report. Inspectors looked at how justice social work services in the area were delivering services for individuals who are, or have been, subject to community payback orders. The inspection took place between February and March 2019. They found that individuals subject to community payback orders are treated with respect and value the support they receive from staff, but they also reported that a culture has developed in justice social work services whereby National Outcomes and Standards are “not routinely adhered to.” The report has outlined a number of actions that should be undertaken to help improve performance.

### ***Her Majesty’s Chief Inspector of Constabulary Scotland (HMICS)***

79. On 27 June the HMICS [published](#) their 2018-19 annual report.

### ***Education Scotland***

80. On 17 July Education Scotland [published](#) their 2018-19 annual report.

### ***Scottish Housing Regulator***

81. On 12 August the Scottish Housing Regulator [published](#) a report into awareness and experience of tenant participation in digital services. The report shows widespread

awareness and suggests ways landlords could develop their approach to tenant engagement.

82. On 19 August the Scottish Housing Regulator [published](#) a report on people's experiences of using homelessness services. The research evaluates the factors which make a positive difference as well as challenges for people using these services. These positive differences include having available suitable and safe accommodation, access to dedicated staff and support, and minimal changes to accommodation location. Challenges include the length of wait for settled accommodation, financial difficulties, equality and fair treatment and safety and condition of temporary accommodation.
83. On 23 August the Scottish Housing Regulator [published](#) a National Panel report which conveyed the affordability concerns of tenants. The report found that over a third of panel members have experienced difficulties in affording their rent and more than two thirds are concerned about the future affordability of their rent. The Regulator also found that more than four fifths of all landlords plan rent rises above inflation in the coming year; only four landlords plan to keep rents at the same level and none plan to cut rents.

## **UK Parliament**

### ***General***

84. On 27 August the Chair of the Local Government Association, Lord Porter, [wrote](#) to the Treasury Committee to provide evidence for its inquiry into the Spring Statement 2019. The letter claims that there will be an £8bn funding gap in council funding by 2024-25.

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

85. On 21 August the Committee published a [report](#) on local government finance. The report highlighted funding cuts and uncertainty over financial settlements for 2020-21 has left council services at breaking point with a funding gap of £5bn. The Committee recommended the Government provide a long-term funding settlement to enable councils to provide high quality local services.
86. On 18 July the Committee published their 'Building regulations and fire safety: consultation response and connected issues' report. This report stated that the UK Government has been "far too slow" in reforming the building and fire safety regime and is still not doing enough to remove dangerous cladding from existing buildings. The report calls for urgent action to be taken.

### ***Scottish Affairs Committee***

87. On 31 July the Committee published its [report](#) on the future of Scottish agriculture after Brexit. The report argues Brexit provides an opportunity to address the current outdated method of allocating funding based on historic values which has led to Scottish farms and crofts receiving lower levels of funding. The Committee recommended the UK Government introduced a new system where a nation's proportion of 'Less Favoured' land is a central criterion in determining how much funding it receives.

### ***Public Accounts Committee***

88. On 26 July [published](#) their 'Funding for Scotland, Wales and Northern Ireland' report. This report argued that greater transparency is required over how the UK Government funds the devolved administrations. The committee also raised concerns that the delay

to the 2019 Spending Review, caused by the Conservative leadership contest, has created 'uncertainty' for devolved governments. The report highlights the way that newly devolved tax raising powers, as well as one-off direct payments, are making it increasingly difficult for the UK Parliament and the public to fully understand the value and impact of funding decisions.

### **Other UK Audit Bodies**

#### *National Audit Office*

89. On 22 July the National Audit Office has published a [report](#) about HMRC's annual accounts 2018-19.

#### *Northern Ireland Audit Office*

90. On 26 July the Northern Ireland Audit Office [published](#) a report about the financial auditing and reporting it carried out in 2018.

### **Other general – UK**

91. On 15 July the Institute for Government (IFG) [released](#) their 'Taxing Times: The need to reform the UK tax system' report. This report states that the UK Tax system in 'major need for structural reform' if it's to meet future challenges. The report suggests that due to growing public spending pressures and declining revenues, public services will have to shrink in scope. The report argues that the flawed tax system makes it harder to address the challenges facing public services and calls for a reform the UK tax system.
92. On 16 July the Trussell Trust [released](#) new figures which show that 87,496 packages went to children in the UK during the summer months in 2018 – a 20 per cent increase on the same period in 2017. Adults meanwhile received 151,700 parcels – an 18 per cent increase on the previous year. The Trussell Trust fears that more foodbank parcels will be distributed during the 2019 summer months.
93. On 17 July the Open Knowledge Foundation issued a [response](#) to the UK Government's 'National Data Strategy' consultation. Their response warned that the UK is failing to train a large number of workers with the digital skills that they'll need in the future. The response urged the UK Government to invest in skills training, including providing data literacy training in local communities across the UK.
94. On 17 July the Information Commissioner launched a new consultation on the data sharing code of practice. The [updated draft code](#) is now out for public consultation and will remain open until Monday 9 September 2019.
95. On 1 July Barnado's [released](#) their 'Overcoming Poverty of Hope' report. The report found that 62 per cent of 16-24-year-olds feel the UK Government cares more about older generations than their own, while 35 per cent said they felt negative about their future, citing a lack of jobs, financial pressure and unaffordable housing. The report made 11 recommendations to government, including committing sustained investment in children and adolescent mental health services, as well as for ministers to ensure all young people can access guidance on safe social media use. The report is also calling on governments across the UK to commit to increasing investment in community youth work and to funding a long term, multi-agency strategy to tackle the root causes of

youth violence.

96. On 19 July the Chief Executive of the HMRC, Sir Jonathan Thompson, announced he is [stepping down](#) in the autumn after more than three years as Chief Executive. He will take up the post as Chief Executive of the Financial Reporting Council.
97. On 24 July the Office of the Secretary of State for Scotland and the Office of the Advocate General for Scotland [published](#) their 2018/19 Annual Report. The report outlines what the Department's priorities have been over the past year. These included strengthening the Union, improving Scotland's voice at Whitehall and advocating for the UK Government across Scotland. The city growth deals, offshore wind sector deal and digital connectivity investment were highlighted as important achievements.
98. On 25 July Alister Jack MP was [appointed](#) as the new Secretary of State for Scotland. Mr Jack was first elected as the MP for Dumfries and Galloway in 2017.
99. On 31 July the HMRC released new statistics which showed that 160,000 UK households have been affected by the two-child cap on benefits. This includes 9,000 households in Scotland. The statistics also showed 510 UK women have filled out a form to prove their child was born of rape or a "coercive relationship" since 2017.
100. On 3 August the UK Government [announced](#) £20 million of funding for councils in England to help them prepare for the UK's withdrawal from the European Union.
101. On 16 August the Home Office [announced](#) that over one million EU citizens have been granted settled or pre-settled status under the EU Settlement Scheme. Over 50,000 citizens registered for the scheme in the first weekend after it was opened on Saturday 30 March. The UK Government also highlighted the support available for EU citizens, including the Settlement Resolution Centre and Assisted Digital locations offering guidance to those with limited digital skills. The Home Office also released [statistics](#) on the applications made to the scheme. The highest number of applications came from Poland, Romania, Italian and Portuguese citizens.
102. On 19 August the UK Government [announced](#) it has signed into law the [repeal](#) of the European Communities Act 1972, which enabled the UK to join the European Union. The Act is also the basis for EU law becoming UK law. The Act will be officially repealed on Thursday 31 October.
103. On 27 August the UK Government [announced](#) the fast-tracked spending review will be delivered on Wednesday 4 September. The Review will set departmental budgets for 2020 to 2021 and the next multi-year spending review will take place in 2020. The Chancellor will give a statement to Parliament to announce the conclusions of the Review.

## **Conclusion**

104. The Commission is invited to consider and note this report.

**Paul Reilly**  
**Secretary to the Accounts Commission**  
**4 September 2019**

## **APPENDIX 1: Accounts Commission reports in past 12 months - downloads**

<b>Report</b>	<b>Date</b>	<b>Report downloads</b>	<b>Podcast downlds</b>
<a href="#">Perth and Kinross Council: Best Value Assurance Report</a>	22 Aug 2019	287	3
<a href="#">Principles of community empowerment</a>	25 July 2019	2,121	n/a
<a href="#">Midlothian Council: Best Value Assurance Report</a>	4 July 2019	888	37
<a href="#">Clackmannanshire Council: Best Value Assurance Report progress report</a>	27 June 2019	562	53
<a href="#">Accounts Commission annual report 2018/19</a>	31 May 2019	213	n/a
<a href="#">Accounts Commission Engagement strategy and plan 2019-24</a>	31 May 2019	156	n/a
<a href="#">Accounts Commission Strategy and annual action plan 2019-24</a>	31 May 2019	174	n/a
<a href="#">Accounts Commission Engagement plan progress report 2018/19</a>		77	n/a
<a href="#">North Lanarkshire Council: Best Value Assurance Report</a>	23 May 2019	455	46
<a href="#">Stirling Council: BV Assurance Rprt</a>	25 April 2019	731 (+289)	37 (+37)
<a href="#">How council work: Safeguarding public money</a>	11 April 2019	839 (+282)	n/a
<a href="#">South Lanarkshire Council: BV Assurance Rpt</a>	28 March 2019	937 (+388)	51 (*)
<a href="#">Local government in Scotland: Challenges and performance 2019</a>	21 Mar 2019	2,745 (+1,096)	167 (+99)
<a href="#">Local government in Scotland: Challenges and performance 2019 - Supplement</a>	21 Mar 2019	348 (+147)	n/a
<a href="#">Social Work in Scotland – Impact report</a>	5 Dec 2018	1,115 (+220)	n/a
<a href="#">Local government in Scotland – Financial overview 2017/18</a>	28 Nov 2018	3,100 (+568)	82 (*)
<a href="#">Local government in Scotland – Financial overview 2017/18 - Supplement</a>	28 Nov 2018	497 (+185)	n/a
<a href="#">Dumfries &amp; Galloway Council BV Assurance Rpt</a>	22 Nov 2018	1,1407 (+223)	*
<a href="#">Health and social care integration: update on progress</a>	15 Nov 2018	11,494 (+1,789)	289 (*)
<a href="#">East Lothian Council Best Value Assurance Report</a>	1 Nov 2018	1,426 (+184)	128 (+50)
<a href="#">Children and young people’s mental health</a>	13 Sep 2018	9,959 (+2,753)	237 (*)
<a href="#">Community Planning – an update – Impact report</a>	24 Aug 2018	867 (+58)	n/a
<a href="#">Glasgow City Council Best Value Assurance Report</a>	23 Aug 2018	1,992 (n/a)	71

### **Key:**

(x) Increase in numbers since last month

\* This figure is below 30

n/a Not applicable.