

MEETING: 11 MARCH 2020**REPORT BY: SECRETARY TO THE COMMISSION****UPDATE REPORT**

Introduction

1. The purpose of this report is to provide an update to the Commission on significant recent activity relating to local government, focussing particularly on the response to the Covid-19 pandemic.
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 Commission also receives other regular information to complement this report, available through the members' extranet site:
 - The Controller of Audit report to the Commission which updates the Commission on his activity.
 - A detailed update on issues relating to local government which is considered by the Commission's Financial Audit and Assurance Committee.
 - The weekly news coverage briefing provided to the Commission by Audit Scotland's Communication Team.

Commission business***Publications***

4. Audit Scotland collects media coverage on all the reports published by the Accounts Commission. Appendix 1 provides download statistics for the Commission's published reports over the last 12 months. Appendix 2 provides additional information on the overall engagement that reports and other business have received on social media.
5. In relation to engagement on social media, the most popular twitter post this month was the February meeting papers post, which appeared on 1,637 users' timelines. The most engaged with tweet was Andrew Burns' [video](#) summary of the meeting, with five per cent of people who saw the tweet liking, commenting or sharing it, just hours after it was posted. On 23 February the Commission re-promoted its performance audit on [Digital progress in local government](#) during Cyber Scotland week. The Commission also re-promoted the 2018 performance audit report [Children and young people's mental health](#) during Children's Mental Health Week at the start of February.
6. The period covered this month is much shorter than the previous month (just 24 days), and there is a noticeable drop-off in the engagement statistics. The previous period also covered the promotion of two major new reports which drove the numbers to their strongest performance on record.
7. In relation to the reach and engagement for the most recent Accounts Commission reports, its performance audit report on [Digital progress in local government](#), published

on 14 January, received detailed coverage in specialist technical journals and coverage from local media in [Edinburgh](#) and [Aberdeen](#). A number of stakeholders including the Digital Office for Scottish Local Government tweeted about the report. On 15 January the impact on social media was as follows:

- Trailer twitter post: 4,059 views and 130 likes, comments or shares.
 - Key messages post: 3,336 views and 96 likes, comments or shares. The animation was viewed 396 times.
 - Key characteristics post: 1,662 views and 26 likes, comments or shares. The animation was viewed 188 times.
8. The Commission's [Local Government in Scotland: Financial Overview 2019/20 report](#), published on 26 January, was covered widely, including by BBC Radio Scotland. A number of stakeholders including COSLA tweeted about the report. On 27 January the impact on social media was as follows:
- Trailer post: 6,763 views and 102 likes, comments or shares.
 - Main post. 8,042 views and 151 likes comments or shares. The animation was viewed 820 times.

Other Commission business

9. On 8 February Ian Bruce, Public Appointments Manager, Ethical Standards Commissioner wrote to the Interim Chair of the Accounts Commission, to [highlight](#) a report on time commitment, remuneration and other aspects of the role of public appointees 2020. The report details the findings of research conducted by the Ethical Standards Commissioner into the roles of chairs and board members of regulated public bodies. The Commission will be considering the time commitment of its members at its Strategy Seminar.
10. On 17 February the Accounts Commission invited expressions of interest from within Audit Scotland for an Interim Controller of Audit for a duration of up to 18 months. The closing date for any interest is Sunday 28 February 2021.
11. To mark this year's [International Women's Day](#) on 8 March, the theme of which is 'Choose to Challenge', Commission members have been invited to take part in conversations with Audit Scotland colleagues on their experiences.

Auditor General

12. On 17 February the Auditor General published an [overview report on the NHS in Scotland 2020](#). The report found that staff across the NHS and Scottish Government took early action during the first wave in 2020, including increasing intensive care capacity and pausing non-urgent treatment. Service innovation, such as a significant rise in video consultations, also happened within weeks and it is important these are learned from. However, there is now a substantial backlog of patients, with NHS boards prioritising those in most urgent need. It will be hard to deal with this backlog alongside the financial and operational challenges already faced by boards.
13. On 24 February the Auditor General wrote a blog, [Transparency needed to follow pandemic pound](#), to coincide with Audit Scotland's new briefing paper, [Tracking the implications of Covid-19 on Scotland's public finances](#). The briefing provides a snapshot of the position in advance of the Scottish Government's 2020/21 [Spring Budget Revision](#) which was published on 25 February 2021. The analysis follows Audit

Scotland's previous briefing paper [Implications for public finances in Scotland](#), published in August 2020, and is part of a series of work Audit Scotland is undertaking relating to Covid-19 spending and its impact in Scotland. The briefing notes that decision-making is happening in a fast-moving environment, and transparency is essential. Agenda item 10 provides more details on the implications of Covid-19 and the 2021/22 Scottish Budget on local government finances.

Audit Scotland

14. On 5 February Audit Scotland invited expressions of interest from Audit Scotland colleagues for the role of Interim Director of Performance Audit and Best Value for an 18-month duration. The closing date for any interest was Sunday 21 February 2021.
15. On 10 February the Cabinet Office [opened](#) a consultation on the expansion of the National Fraud Initiative (NFI) Data Matching Powers and the new Code of Data Matching Practice. Audit Scotland is in discussion with the Commission regarding a response and we will report further to the Commission in this regard.
16. On 19 February the Scottish Commission for Public Audit (SCPA) recommended that Audit Scotland's budget proposal for 2021/22 be approved. In its [report](#) the SCPA recognised the significant impact that Covid-19 has had on Audit Scotland's work, and welcomed that Audit Scotland was able to deliver its work programme effectively within the revised reporting deadlines. The SCPA also recognised the significant impact and volatility of Covid-19 along with the ongoing challenges in areas such as Brexit and the devolution of further financial powers, which mean that Audit Scotland's budget in 2021/22 is subject to much greater uncertainty than in previous years.
17. On 19 February Audit Scotland's Best Companies 2021 survey closed. The final response rate was 83 per cent, which means Audit Scotland raised £504 for its corporate charity MND (Motor Neurone Disease) Scotland. Audit Scotland will discuss the results of the survey with the Commission at a future meeting.
18. On 22 February Audit Scotland hosted a QandA session for staff with Jenny Marra MSP, current convener of the Public Audit and Post-legislative Scrutiny Committee.

Issues affecting local government

Scottish Government

19. Given that the Covid-19 emergency has resulted in a significant number of matters originating from the Scottish Government, this section is divided, for ease of reference, into the following sub-sections:
 - Local government general
 - Economy
 - Health and social care
 - Education
 - Transport
 - Communities
 - Business
 - Other matters

Local government general

20. On 11 February the Scottish Government published the [Heads of Terms Agreement for the Argyll and Bute Rural Growth Deal](#). The deal comprises £25 million from the UK and Scottish governments and at least £20 million from Argyll and Bute Council and partners. The proposals will support tourism, food and farming, distilling and defence.
21. On 15 February the Scottish Government [published](#) information on planning assumptions for councils to plan their housing supply for 2020/21.
22. On 16 February Kate Forbes, Cabinet Secretary for Finance [announced](#) that local authorities will receive an extra £275 million in the current financial year to address Covid-19 pressures while a further £40 million is being made available to support the safe reopening of schools, following confirmation of a further £1.1 billion of consequential funding arising from UK Government Covid-19 spending.
23. On 25 February the Scottish Government [published](#) local government finance circular 2/2021. This outlines guidance around councils' ability to use capital receipts received in 2020-21 and 2021-22 to fund the financial impact of Covid-19. This is one of the financial flexibilities agreed by COSLA and Scottish Ministers to help address the funding pressures arising from the pandemic

Economy

24. On 4 February the Scottish Government published its [Infrastructure Investment Plan for Scotland 2021-22 to 2025-26](#), which sets out the Government's vision for infrastructure to support and enable an inclusive net-zero emissions economy. Three themes underpin the plan: enabling net zero emissions and environmental sustainability; driving inclusive economic growth; and building resilient and sustainable places. A [capital spending review](#) and [analysis of responses](#) to the consultation on the plan have also been published.
25. On 5 February the Scottish Government [published](#) February's economic brief.
26. On 20 February the Scottish Government [launched](#) the women in the rural economy training fund, which will give women the chance to develop their skills and talents with the help of £100,000 worth of practical training.
27. On 25 February the Scottish Government [published](#) the 2020-21 Spring Budget Revision document. This is referred to in the paper for agenda item 10 on today's agenda.
28. On 27 February Kate Forbes, Cabinet Secretary for Finance [wrote](#) to the chancellor ahead of the UK Budget on Wednesday, calling on him to provide essential support such as extending the Job Retention Scheme beyond April and making the £20 Universal Credit uplift and Working Tax Credit permanent.
29. On 1 March the Scottish Government [published](#) ten recommendations by the Advisory Group on Economic Recovery across four areas to facilitate Scotland's economic recovery from the Covid-19 pandemic. Areas of focus include economic overview, financing business survival and resilience, financing opportunity and growth, and business support and collaboration. Finance Secretary Kate Forbes also [wrote](#) to the Chancellor ahead of the UK Budget on Wednesday

Health and social care

30. On 2 February the Scottish Government [announced](#) a change to the rates of allowances for adults who pay for their residential care in Scotland.

31. On 4 February the Scottish Government [published](#) details on how additional funding for alcohol and drug partnerships for this financial year (2020/21) will be allocated. Integration authorities have been allocated total funding of £3 million, with individual allocations based on the number of drug deaths in each area.
32. On 5 February Jeane Freeman, Cabinet Secretary for Health and Sport, [set out](#) details of additional funding of £491 million being provided to NHS Boards and Integration Authorities to support additional Covid-19 costs in 2020-21.
33. On 9 February the Scottish Government [announced](#) increased support for childminders, with grants of £750 being paid to all registered childminders in Scotland.
34. On 25 February the Scottish Government [highlighted](#) that Scotland's vaccination programme has delivered first doses of the Covid-19 vaccine to a third (33.4 per cent) of those eligible – more than 1.5 million people (1,515,980).
35. On 1 March Scottish Government [published](#) the final report of the Independent Forensic Mental Health Review. The report sets out the Review's recommendations for change.

Education

36. On 2 February the Scottish Government [announced](#) that, from 22 February, children in early learning and childcare and in primaries 1-3 are scheduled to make a full return to nurseries and schools. Limited numbers of pupils in S4-6 will also be able to complete in-school practical work that is essential for completing national qualifications on a part-time basis from the same date. To complement the return to in-school teaching, there will be an expansion of testing and two metre physical distancing for adults and pupils will be required in secondary schools. On 16 February the First Minister [confirmed](#) this phased-return would go ahead as planned.
37. On 4 February the Scottish Government [highlighted](#) that a taskforce comprising representatives of colleges, universities, students, unions and government met to consider the challenges that colleges and universities face in delivering practical learning as a result of the current Covid-19 restrictions.
38. On 16 February the Scottish Government [published](#) details of funding allocations of £45 million to allow local authorities to deploy more support to their schools and families as they deal with the challenges of remote learning during lockdown. The breakdown awarded to each local authority can be found [here](#).
39. On 18 February the Scottish Government [published](#) its teacher workforce planning model, 2021.
40. On 19 February the Scottish Government published a [Business and Regulatory Impact Assessment](#) and an [Equalities Impact Assessment](#), to assess the impact of the restrictions to the provision of Early Learning and Childcare in January and February 2021.
41. On 23 February the Scottish Government [published](#) statistics on the initial destinations and attainment of 2019-20 school leavers. The results show that 93.3 per cent of 2019-20 school leavers were in a positive destination three months after leaving school, a decrease from 95.0 per cent in 2018-19.

Transport

42. On 3 February Transport Scotland [published](#) the update and phase one recommendations report of the second strategic transport projects review. A metro

system in Glasgow and a mass transit system in Edinburgh form part of the Scottish Government's vision. The review aims to deliver the vision, priorities and outcome for transport set out in the [National Transport Strategy](#).

43. On 15 February Transport Scotland [highlighted](#) that the Scottish Government has awarded over £633,000 to support 45 e-bike projects across the country.
44. On 19 February Transport Scotland [published](#) a report on methods and approaches to help deliver inclusive design environments with town centres and busy street areas which serve a civic or public service function. The report, commissioned by the government, Transport Scotland, and the Department for Transport and conducted by consultants WSP, contained evidence on how inclusive engagement approaches can support inclusive design and evidence on physical design measures that support inclusive and accessible design.
45. On 24 February Transport Scotland [published](#) the 2020 edition of Scottish transport statistics. The number of journeys made by public transport fell from 517 million in 2018 to 502 million in 2019.

Communities

46. On 17 February the Scottish Government [published](#) a report by the Expert Advisory Group on Migration and Population. The report sets out analysis and policy options to inform a potential pilot scheme for migration to remote and rural areas of Scotland. It builds on earlier Expert Advisory Group reports, setting out the demographic challenges faced by remote and rural areas, and the potential for international migration to help address them.
47. On 23 February the National Records of Scotland [published](#) statistics estimating that 216 homeless people died in 2019, an 11 per cent increase on the previous year. The [report](#) found almost three-quarters of deaths were males and over half were drug-related. Scotland had a homeless death rate of 52.2 per million of the population aged 15-74, in contrast with 18.0 in England and 14.3 in Wales.
48. On 24 February the Scottish Government [announced](#) the launch of a £15 million Scottish Community Lenders Fund, to support affordable lending services. It will support credit unions and community development financial institutions to offer financial aid to those with poor credit often turned away from high street banks.

Business

49. On 2 February the Scottish Government [published](#) information for local authorities on the local authority discretionary fund. Local authorities can use this funding to provide direct financial support to businesses in their area for the purposes of mitigating immediate financial challenges arising from Covid-19 restrictions and regulations.
50. On 3 February the Scottish Government [announced](#) a new £7.75 million funding package to support fishermen, seafood businesses and ports and harbours threatened by the ongoing effects of Covid-19 and Brexit.
51. On 10 February the Scottish Government [highlighted](#) payments made to local authorities to support businesses following the tightening of Covid-19 restrictions at Christmas. New statistics show a total of £276 million was paid through the strategic framework business fund, the hospitality, leisure and retail top up payments, and the taxi and private hire driver support fund since November last year, with a total of £244 million paid in January.
52. On 16 February the Scottish Government [announced](#) that retail, hospitality, leisure and

aviation businesses will pay no business rates during 2021-22. This is one of a series of measures proposed by Kate Forbes, Cabinet Secretary for Finance following confirmation of a further £1.1 billion of consequential funding arising from UK Government Covid-19 spending.

53. On 16 February the Scottish Government [announced](#) that two funds totalling £60 million to support newly self-employed, close contact businesses and driving instructors whose livelihoods have been impacted by the pandemic are open to applications.
54. On 24 February the Scottish Government [highlighted](#) that the Scotland Food and Drink Partnership's Regional Food Fund to help drive projects that celebrate locally sourced and produced food and drink has reopened for applications.

Covid-19 measures

55. On 2 February the Scottish Government [announced](#) new measures to drive down Covid-19 rates in Scotland including supervised quarantine for anyone who arrives directly into Scotland regardless of which country they have come from. The new measures also include the expansion of access to testing.
56. On 5 February the Scottish Government [highlighted](#) that Scotland's next community testing site for people without Covid-19 symptoms will open in Cowdenbeath, Fife on 10 February.
57. On 17 February the Scottish Government [highlighted](#) that from 18 February anyone who is identified as a close contact of somebody who has tested positive for Covid-19 will be asked to get tested. The measure is designed to find asymptomatic cases that would otherwise go undetected.
58. On 20 February the Scottish Government [confirmed](#) that routine indoor visiting of care home residents by relatives, friends and carers will be able to resume from early March with care providers supporting residents to have up to two designated visitors each and one visit a week for each visitor. On 24 February the Scottish Government published [guidance](#), to support contact to resume.
59. On 22 February the Scottish Government [confirmed](#) that people in the Joint Committee on Vaccination and Immunisation (JCVI) priority group 6 are beginning to receive coronavirus vaccination appointments. People with conditions on both the JCVI list and the flu vaccine list and unpaid carers who receive carers' benefits or who have been identified by GPs will be invited first. Jeane Freeman, Cabinet Secretary for Health and Sport, has [written](#) to MSPs to provide an update.
60. On 23 February the First Minister [outlined](#) the Scottish Government's [Strategic Framework](#) to move the country out of lockdown. It has been discussed with trade unions, business organisations and opposition parties, and provides the initial priorities and indicative timeframe on restarting the economy. The First Minister said there was limited scope for easing restrictions at this stage but if all goes to plan, Scotland will move back to a level system from the last week of April, with all areas in level 4 moving to level 3 in the first instance. This will be dependent on all JCVI priority groups 1-9 being vaccinated by mid-April. Further detail on how exactly this will take place, including any revisions of the level systems, will be published in mid-March. The next phase of school return will start on Monday 15 March for the remaining primary school and some senior phase secondary pupils. The final phase of school return will start on Monday 5 April. The stay at home requirement will be lifted and retail restrictions will be relaxed at the same stage, but non-essential retail is not expected to reopen until Monday 26 April. The First Minister said changes would be at intervals of three weeks to ensure any easing did not have a significant impact on virus transmission.

Other matters

61. On 3 February Leslie Evans, Permanent Secretary to the Scottish Government [tweeted](#) that Joe Griffin has been appointed as the new Director General Education and Justice at the Scottish Government.
62. On 5 February Jamie Hepburn, Minister for Business, Fair Work and Skills wrote to chief executives of public bodies to request information on how recommendations from the Equality and Human Rights Committee report – [Race Equality, Employment and Skills: Making Progress?](#) – will be taken forward.
63. On 18 February Leslie Evans, Permanent Secretary to the Scottish Government [tweeted](#) that Lesley Fraser has been appointed as the new Director General Corporate at the Scottish Government.
64. On 22 February the Scottish Government [published](#) the strategic framework for a cyber-resilient Scotland.

Scottish Parliament

65. On 2 February SPICE [published](#) the 19th issue in a series of briefings covering the negotiations on the future relationship between the EU and the UK.
66. On 4 February Ken Macintosh, Presiding Officer [proposed](#) a plan for election recess and dissolution. Parliament will be asked to approve a six-week election recess starting on 25 March. Formal dissolution will take place on 5 May, ahead of the election on 6 May.
67. On 5 February SPICE [published](#) a briefing which sets out a summary and analysis of the local government budget for 2021-22.
68. On 17 February MSPs [backed](#) (For 65, Against 58, Abstentions 1) a Liberal Democrat [motion](#) to reform Scottish the Qualifications Authority and Education Scotland.
69. On 18 February SPICE [published](#) a briefing on the Fair Rents (Scotland) Bill.
70. On 19 February SPICE [published](#) a briefing on earnings in Scotland in 2020.
71. On 19 February SPICE [published](#) a briefing on the Disabled Children and Young People (Transitions to Adulthood) (Scotland) Bill.
72. On 22 February Annie Wells MSP [lodged](#) a motion for debate on whether local government should have its own fiscal framework that will automatically entitle it to a fixed proportion of the Scottish Budget each year.
73. On 23 February SPICE [published](#) a briefing on the latest labour market update.

Parliamentary Committee News

Public Audit and Post Legislative Scrutiny Committee

74. On 4 February the Committee [took evidence](#) from Stephen Boyle, Auditor General for Scotland, Mark Taylor, Audit Director, Audit Scotland, Gareth Davies, Comptroller and Auditor General and Darren Stewart, Director of Financial Audit, National Audit Office, on the report on [Administration of Scottish Income Tax 2019-20](#).
75. In February the Committee took evidence from Stephen Boyle, Auditor General for Scotland and Audit Scotland on:

- [section 22 report on the 2019/20 audit of the Scottish Police Authority](#)¹
- [section 22 report on the 2019/20 audit of NHS Tayside](#)

76. On 16 February the Committee [published](#) its report on the Scottish Government's annual report on the use of settlement agreements.

Local Government and Communities Committee

77. In February the Committee took evidence on, amongst other items:

- [financial settlement for local government](#), as set out in the Scottish Government's budget for 2021-2, and subordinate legislation.
- [financial settlement for local government](#), subordinate legislation, the third sector and housing, and local government's perspective on climate change and the green recovery.

78. On 9 February the Committee published a [submission](#) from COSLA on the draft Scottish Budget for 2021/22. The Accounts Commission's local government overview report was referenced in the submission.

79. On 19 February Kevin Stewart, Minister for Local Government, Housing and Planning [wrote](#) to the Committee to advise that legislation for a short-term lets licensing scheme has been [withdrawn](#) from the Scottish Parliament, to allow for draft guidance to be developed. A stakeholder working group has been established to help develop the guidance. Subject to the outcome of the election, the government intends to re-lay the legislation in June to ensure the timetable on introducing licensing remains the same. Legislation allowing councils to establish short-term let control areas will continue.

80. On 19 February the Ethical Standards Commissioner [wrote](#) to the Committee to provide information on the complaints process for councillors and progress in restructuring the backlog of complaints.

81. On 26 February the Committee [published](#) a report on the implementation of the 2015 Community Empowerment (Scotland) Act. The committee focused on participation and asset transfer requests, concluding not enough has been done to empower people from deprived backgrounds to take action in their communities.

Finance and Constitution Committee

82. On [3 February](#) and [10 February](#) the Committee held evidence sessions as part of its scrutiny of the Scottish Budget 2021-22.

83. On 12 February Ivan McKee, Minister for Trade, Innovation and Public Finance [wrote](#) to the Committee on the UK Trade Bill amendment.

84. On 12 February the Legacy Expert Panel of fiscal, economic and constitutional experts including Mark Taylor, Audit Director, Audit Scotland [published](#) a report to the Committee, identifying the main scrutiny challenges that will arise over the next five-year term of the Scottish Parliament. The panel recommends that the Scottish Parliament define its role more clearly in response to Brexit. The panel also said that devolution has grown more complex following recent fiscal powers and post-Brexit changes and that Holyrood must change its approach to scrutiny following the 2021 election. The panel recommended an independent review that focuses on committee

¹ A section 22 report allows the Auditor General to bring attention to Parliament and the public matters of wider interest arising from the annual audits of public bodies.

remits and considers fiscal and Brexit-related issues raised by experts and the legacy reports of other committees, before reporting back to parliament “as soon as possible”.

85. On 15 February Kate Forbes, Cabinet Secretary for Finance [wrote](#) to the Committee, to provide further information on borrowing powers and financial transactions following her evidence session on 10 February.
86. On 17 February the Committee [took evidence](#) on the impact of Brexit on devolution.
87. In February the committee published, amongst other items:
 - a [briefing](#) from committee adviser, David Phillips, on the Scottish Budget 2021-22 forecast and fiscal framework issues
 - a [briefing](#) from its internal market advisor, Kenneth Armstrong, on the EU-UK Trade and Cooperation Agreement
 - a [report](#) on the Scottish Government Budget 2021-22. It found Covid-19 has likely exacerbated existing structural inequalities in Scotland and a fair and equal economic recovery should, therefore, focus support on lower income, less educated, younger workers and help their progression in the labour market.

Covid-19 Committee

88. In February the committee took evidence on, amongst other items:
 - [subordinate legislation](#)
 - the [Covid-19 vaccination programme](#)
 - [the Citizens Panel](#)
89. On 18 February the Committee [published](#) the report from the Covid-19 Citizens Panel. The Panel [recommends](#) that the government pursue an elimination strategy or a maximum suppression strategy with a strengthened Test and Protect to keep numbers low. The report urges the government to define what strategy it is pursuing and criticises the government for its early handling of the pandemic with specific mention of previous lockdowns happening too slowly.

Other committees

90. On 3 February the Education and Skills Committee [took evidence](#) from John Swinney, Deputy First Minister and Cabinet Secretary for Education and Skills on Covid-19 and education and the additional support for learning review. Audit Scotland was mentioned.
91. On 7 January the Education and Skills Committee [wrote](#) to John Swinney, Deputy First Minister and Cabinet Secretary for Education and Skills, to seek an update on two public petitions: PE01692: Inquiry into the human rights impact of Getting It Right for Every Child (GIRFEC) policy and data processing and PE1548: National Guidance on Restraint and Seclusion in Schools. A response has been [published](#).
92. On 10 February the Health and Sport Committee [published](#) its report on the future of social care and support in Scotland, based on evidence sessions throughout the parliamentary session which pointed to funding and staffing issues. The report's [press release](#) describes the current model as unsustainable, concluding that those delivering and receiving care must be at the heart of social care reform.
93. On 12 February Fiona Hislop, Cabinet Secretary for the Economy, Fair Work and

Culture [wrote](#) to the Economy, Energy and Fair Work Committee, to set out how the government intends to use consequential Covid-19 funding. The letter includes a list of policies the government intends to use parts of the consequentials on, including the young person's guarantee, support for skills and training and investment to prevent long-term unemployment.

94. On 16 February the Health and Sport Committee [published](#) its phase two report on what primary care should look like for the next generation. The report builds on the [phase one](#) findings and sets out conclusions for changes in the way services are delivered and received.
95. On 16 February John Swinney, Deputy First Minister and Cabinet Secretary for Education and Skills [wrote](#) to the Education and Skills Committee on the phased reopening of schools and childcare.
96. On 19 February the SQA and Education Scotland [wrote](#) to the Education and Skills Committee on the impact of lockdown on learning and teaching.
97. On 23 February the Standards, Procedures and Public Appointments Committee [published](#) a report following its inquiry into the resilience of parliamentary practices and procedures in the face of the pandemic.

Local government news

98. On 4 February the GMB union [claimed](#) that a Dundee City Council bonus scheme paid to employees in roles typically filled by men is "discriminatory". This was subject of discussion by the Commission's Financial Audit and Assurance Committee at its February meeting.
99. On 18 February Scottish Borders Council [apologised](#) for a data breach which affected around 600 customers.
100. On 23 February the Chartered Institute of Public Finance and Accounting (CIPFA) published its annual [Fraud and Corruption Tracker survey](#). One emerging theme as [reported](#) by Public Finance was the inability of councils to tackle usual areas of fraud due to resources being re-directed into the processing and review of business grants associated with COVID-19.

Public policy news

101. On 5 February the Fraser of Allander Institute [published](#) a report on Scotland's adult social care system for people with learning disabilities. The report finds that despite positive progress, the system still falls short of enabling people with learning disabilities to attain the quality of life that was envisaged in key government strategies.
102. On 9 February the Commission on School Reform [called upon](#) the Scottish Government to establish a programme of school catch-up to help children who have missed out on education during lockdowns.
103. On 16 February the Resolution Foundation [published](#) a briefing note on how families have managed their housing costs over the Covid-19 period, showing that housing arrears have grown steadily over the crisis, and that renters are at the sharp end when it comes to housing cost pressures.
104. On 16 February the group UK In A Changing Europe [published](#) its report *Brexit and Beyond: Policy*. The report examines the impact of Brexit on policy areas including agriculture, climate change, competition, consumer protection, cybersecurity, fisheries, health, education and financial services.

105. On 18 February the Education Policy Institute [published](#) a report comparing the education recovery plans of the four UK nations. The report found the catch-up plans offered insufficient support for pupils and were unlikely to address the scale of learning loss. Funding committed directly in Scotland was the most generous on a per pupil basis.
106. On 18 February a report by the Homelessness Prevention Review Group, set up by the Scottish Government in October 2019, [recommended](#) that efforts to prevent homelessness should start up to six months before someone faces losing their home.
107. On 19 February the Fraser of Allander Institute has published a [report](#) on the relative position of the Scottish economy in comparison with other regions of the UK. It found that while Scotland has income levels close to the UK average at first glance, income levels vary widely when looking at smaller regions within Scotland.
108. On 22 February the University of Stirling [launched](#) a new research project examining how local authorities procured goods, works and services during Covid-19.
109. On 22 February the Institute of Economic Affairs [published](#) a report on the phased return to school. It argues the pandemic has exposed longstanding problems in the education system and government policy should look beyond short-term recovery and temporary change.
110. On 22 February the Scottish Mental Health Partnership, comprised of 17 national charities, [launched](#) its joint manifesto with calls for greater investment in mental health and wellbeing for the whole population, preventing mental ill-health in the most at-risk communities, and providing a choice of support, care and treatment. The partnership includes organisations such as Samaritans, SAMH, the Royal College of Psychiatrists in Scotland, and the Mental Health Foundation. The organisations have also [written](#) to party leaders to call for radical changes to meet the mental health needs of the public.
111. On 27 February Anas Sarwar was announced as the new Scottish Labour leader. He polled 57.6 per cent of the vote, compared to 42.4 per cent for Monica Lennon.
112. On 28 February the Scottish think tank Common Weal [published](#) a report recommending that council tax should be replaced.
113. On 1 March the Institute for Government [published](#) a report about devolution funding. It looks at the Barnett formula in theory and practice.

COSLA

114. On 29 January COSLA [published](#) a joint letter with the Scottish Government, to provide an update on the Community Choices 1 per cent Framework Agreement. So far over 122,000 voters have had a direct say on the dispersal of more than £6.6 million, with around 47,000 people attending participatory budgeting events across Scotland. As a result of the pandemic many local authorities have had to pause participatory budgeting activity.
115. On 29 January COSLA [published](#) an analysis of the local government settlement 2021/22.
116. On 11 February COSLA [published](#) Charging Guidance for 2021-22. The guidance is intended to assist Local Authorities and Integration Authorities to determine whether to charge a person for social care support at home, and in calculating how much to charge.
117. On 12 February COSLA [published](#) a parliamentary briefing setting out its response to

the Independent Review of Adult Social Care. The accompanying press release [highlights](#) council leaders' concern at the recommendations around the future governance and accountability arrangements contained within the review.

118. On 22 February COSLA [urged](#) all Scottish political parties to recognise and protect the role of local government within their manifestos, as part of the launch of its [Blueprint report](#). COSLA hopes to see manifesto pledges that reference the importance of democratically elected local councillors, that deliver a fair funding settlement for local government, and that allow for government functions to be managed and delivered as close to communities as possible.

Improvement Service

119. On 19 February the Improvement Service [highlighted](#) that a partnership project between the Improvement Service and all local authorities to automate the process of address (and street) gazetteer data uploads to the [One Scotland Gazetteers](#) is nearing completion.
120. On 19 February the Improvement Service [published](#) a survey, to help understand more about current levels of understanding of psychological trauma across the workforce, and to what extent trauma informed practice is currently embedded and where additional support may be required in future.
121. On 24 February the Improvement Service [highlighted](#) that the latest information on the economic impact of Covid-19 across Scotland's council areas is available in its [dashboard](#). The Covid-19 Economic Impact Dashboard highlights the current uptake of government support schemes across local authorities in Scotland.
122. On 26 February, the Improvement Service published the [Local Government Benchmarking Framework Overview report 2019/20](#) along with the accompanying [My Local Council tool](#) and [How Councils are using the LGBF](#) which provides examples of how councils are using the LGBF to drive improvement and inform decision making. The new Chair of the LGBF Board, Kenneth Lawrie, will be presenting the report to the Accounts Commission at its April meeting.

Scrutiny, inspection, regulatory and related bodies

Scottish Public Ombudsman (SPSO)

123. The [SPSO's Newsletter – February](#) 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 at its next meeting.

Scottish Housing Regulator (SHR)

124. On 16 February Michael Cameron, Chief Executive, SHR [wrote](#) a blog on what the past year means for the future of social housing and its regulation, concluding that now more than ever, it will be important to have a meaningful dialogue with tenants, residents and communities around what's important to them and what they want and need from their landlord.
125. On 25 February SHR [updated](#) its monthly Covid-19 dashboard with January data.

Other UK audit bodies

126. On 28 January the National Audit Office (NAO) [published](#) a departmental overview of

the Ministry of Housing, Communities and Local Government.

127. On 1 February Gareth Davies, the NAO Comptroller and Auditor General [published](#) a blog on tackling the challenges facing public sector spending.
128. On 10 February the NAO [published](#) a report evaluating how effectively the UK Government supported the clinically extremely vulnerable during lockdown through the shielding programme. The report found that the shielding programme was a swift government-wide response to protect clinically extremely vulnerable people against Covid-19. However, at the start of the pandemic there was no way to quickly identify all those who needed to shield, with the full list of those eligible for support not stabilising until May.
129. On 12 February the NAO [published](#) a report examining how the Treasury and HMRC manage tax measures with environmental objectives, including the work undertaken to design, monitor and evaluate them.
130. On 18 February the NAO [published](#) an interactive guide, which sets out good practice principles for annual reporting and provides illustrative examples taken from public sector organisations who are leading the way in this area.
131. On 19 February the NAO [launched](#) an inquiry into the timeliness of local auditor reporting on local government in England in 2020.
132. On 19 February the NAO [published](#) a departmental overview of the Department for Environment, Food and Rural Affairs.
133. On 22 February Audit Wales [announced](#) that Ann-Marie Harkin had been appointed Executive Director of Audit Services at Audit Wales.
134. On 23 February Audit Wales [announced](#) it is running a week long learning event from 8 to 12 March on novel and innovative practices emerging from the Covid-19 pandemic. The following themes will be covered:
 - The role of communities during Covid-19
 - Crisis Governance
 - Dynamic Strategy
 - Impact of Covid-19 on the workforce
 - Communication and engagement

UK Government

135. On 1 February the Scottish Affairs Committee [published](#) the UK Government's response to recent reports on Covid-19 and Scotland. The government broadly supports the committee's recommendations around intergovernmental working, including lessons learned from Exercise Cygnus, and recognises the need for further planning around immigration, supply chain and exports for Scotland. However, it rebuts claims that it gave mixed messages to the devolved nations during the pandemic and claims of poor practice related the publication of scientific advice.
136. On 5 February the UK Government published its [May 2021 polls delivery plan](#), which applies to all polls in England and to Police and Crime Commissioner elections in England and Wales on 6 May 2021. An estimated £92 million of government grant funding that will be provided to local authorities; of this, £31 million is to address costs associated with making the elections Covid-19 secure.

137. On 11 February the Department of Health and Social Care [published](#) a white paper setting out legislative proposals for a health and care bill. The proposals aim to integrate health and social care services across England.
138. On 15 February the UK Government [highlighted](#) that it has provided an additional £1.1 billion to devolved administration in Scotland to support people, businesses and public services affected by Covid-19, bringing the total allocated through the Barnett formula to the Scottish Government since the start of the pandemic to £9.7 billion.
139. On 17 February the Environmental Audit Committee [published](#) its report on the green recovery from Covid-19. The committee recommended VAT reductions to encourage energy efficiency, increasing the use of recycled materials and repair services, and investing in green transport and energy infrastructure.
140. On 18 February, the UK Government [published](#) statistics on local government finance.
141. On 22 February Prime Minister Boris Johnson [set out](#) the UK Government's roadmap for easing lockdown restrictions in England. Restrictions for England will be lifted in four steps, the introduction of each step will depend on: the success of vaccine rollout; the number of hospital admissions and deaths; the extent to which the NHS is under pressure; and the impact of any variants. There will be at least five weeks between steps to allow data to reflect the impact of restrictions and to give the public notice.
142. On 22 February the UK Government [announced](#) secondary school and college students in England will be provided with two rapid Covid-19 tests each week from the return of face-to-face education on Monday 8 March. They will also take three tests in school facilities as they return to the classroom. All school and college staff will be provided with two tests per week.
143. On 24 February the UK local government minister Luke Hall told MPs that the government was [considering](#) whether a "system leader" could oversee local government audit in the future, after it rejected the Redmond review's proposal of a statutory body.
144. On 25 February the UK Government [published](#) a joint statement from the UK Chief Medical Officers (CMOs) recommending that the UK Covid-19 alert level move from level 5 to level 4.
145. On 26 February the UK Government [announced](#) the Levelling Up Fund will be extended to Scotland, Wales and Northern Ireland until 2024-25, with £4.8 billion to be invested in local projects such as regeneration and transport.
146. On 27 February the UK Government announced that central Scotland will be the first area to receive access to gigabit speed broadband through a £4.5 million investment from the UK Gigabit Programme, covering more than 5,300 homes and businesses.
147. On 3 March the UK Government [published](#) its budget for 2021/22. This includes:
 - £39.4 billion for the Scottish Government in 2021/22, including:
 - £35 billion baseline funding
 - £2.4 billion Barnett consequentials that were announced before the 2020/21 budget
 - £0.7 billion non-Barnett funding for farmers, land managers and fisheries
 - £1.2 billion Barnett consequentials announced in the 2021/22 budget
 - Plus: £1.1 billion guaranteed Covid-19 funding for Scotland that can be spent in

2020/21 or 2021/22 (this was [announced](#) on 15 February 2021).

- An acceleration of three Scottish City and Region Deals for Ayrshire, Argyll and Bute and Falkirk.
 - £27 million for the Aberdeen Energy Transition Zone and £5m for the Global Underwater Hub.
 - Establishing a [UK Infrastructure Bank](#) to help tackle climate change and support regional and economic growth. The bank will provide loans to local authorities across the UK for strategic infrastructure projects.
 - Extending the Job Retention Scheme (furlough) and the Self-employed Support Scheme until the end of September.
 - An extension to the business rates holiday to the end of June. For the remaining nine months of the year, business rates will be discounted by two thirds, up to a value of £2 million for closed businesses, with a lower cap for those who have been able to stay open.
148. On 4 March SPICE published a [blog](#) summarising the budget with some commentary on the implications for Scotland's public finances. The Scottish budget will be considered at Stage 2 on Monday 8 March and Stage 3 on Tuesday 9 March. It is not yet clear whether the Scottish Government will amend the face of the Bill and allocate the additional UK Government funding announced on 4 March or wait for an in-year Budget Revision to do so. Audit Scotland colleagues presenting item 10 will be able to provide a verbal update on the implications of UK budget for the Scottish and local government budgets.
149. Alongside the 2021/22 budget announcement the UK Chancellor reported that the Office for Budget Responsibility (OBR) had [predicted](#) the economy will reach pre-Covid-19 levels by the middle of next year, six months earlier than predicted.
150. On the 3 March, in response to the 2021 budget, the [Local Government Association](#) said that 'we continue to call on government to meet - in full - all cost pressures and income losses incurred by councils as a result of the pandemic.'
151. On 4 March, in response to the 2021 budget, [CIPFA's](#) CEO, Rob Whiteman said that the budget was 'notably silent on support for public services'. He said that while the extension to business support was welcome, it 'will represent an additional administrative burden for local authorities that already face increasing demands on their available resources.'

Other UK news

152. In February the County Councils Network in England published a [report](#) on the future of adult social care.
153. On 24 February Leeds City Council [approved](#) £87.5 million worth of budget reductions alongside redundancies and a 4.99 per cent rise in council tax.
154. In February Public Finance reported that [new legislation](#) passed by Stormont will allow councils to charge different levels of household and business rates for the first time.

Conclusion

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

Paul Reilly
Secretary to the Commission
5 March 2021

APPENDIX 1: Accounts Commission reports in past 12 months – downloads

Report	Date	Report downloads	Podcast downlds
Local Government in Scotland: Financial Overview 2019/20	26 Jan 21	594 (n/a)	n/a
Digital progress in local government	14 Jan 21	1,083 (n/a)	n/a
Digital progress in local government – supplement 1 (checklist)	14 Jan 21	122 (n/a)	n/a
Digital progress in local government – supplement 2 (methodology)	14 Jan 21	47 (n/a)	n/a
Housing Benefit Performance audit: annual update 2020	8 Dec 20	129 (+58)	n/a
Best Value Assurance Report: The City of Edinburgh Council	26 Nov 20	760 (+165)	n/a
Covid-19 Strategic Scrutiny Group	5 Nov 20	602 (+67)	n/a
Best Value Assurance Report: Aberdeenshire Council	22 Oct 20	609 (+62)	n/a
Best Value Assurance Report: Dundee City Council	29 Sept 20	788 (+73)	n/a
Best Value Assurance Report: Moray Council	27 Aug 20	1,272 (+51)	n/a
Accounts Commission annual report 2019/20	2 July 20	392 (*)	n/a
Best Value Assurance Report: North Ayrshire Council	30 June 20	929 (46)	n/a
Local government in Scotland Overview 2020	23 June 20	1,451 (+104)	n/a
Equal pay in councils - Impact report	9 June 20	607 (*)	n/a
Best Value Assurance Report: Argyll and Bute Council	21 May 20	916 (40)	n/a
Affordable housing	9 April 20	2,448 (+169)	n/a
The 2018/19 audit of Renfrewshire Council: Report on accounts closure	24 Mar 20	280 (*)	n/a
Early learning and childcare: follow-up	3 Mar 20	2,401 (+70)	155 (*)
2018/19 audit of Fife IJB	27 Feb 20	502 (*)	n/a
2018/19 audit of Glasgow City Council: Update on equal pay settlement	6 Feb 20	424 (*)	n/a

Key:

(x) Increase in numbers since last month

* This figure is below 30

n/a Not applicable.

APPENDIX 2 – Accounts Commission social media engagement data

	Followers*	Posting views	Video views	Links accessed	Retweets	Likes	Replies
Mar 20	520 (+17)	13,100	11	29	129	23	1
Apr 20	526 (+6)	3,400	1	7	4	2	1
May 20	539 (+13)	7,700	177	135	14	43	0
Jun 20	561 (+22)	5,000	1,900	53	24	45	2
Jul 20	583 (+22)	12,600	408	19	30	86	4
Aug 20	590 (+7)	7,100	129	27	18	18	0
Sep 20	605 (+15)	9,700	607	82	35	46	2
Oct 20	617 (+12)	10,700	526	34	26	34	0
Nov 20	639 (+22)	23,400	730	106	49	53	3
Jan 21	683 (+30)	50,000	2,400	128	94	103	9
Feb 21	686 (+3)	11,000	307	20	9	10	1

Increase on previous month shown in brackets