

Audit scope

Financial overview 2018/19

Local government in Scotland



ACCOUNTS COMMISSION 

Prepared by Audit Scotland
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Each year the Accounts Commission publishes two reports that set out a review of Local government in Scotland:

- Local government in Scotland – Financial overview
- Local government in Scotland – Challenges and performance.

The first report, published in the autumn each year, assesses the financial position and issues for local

government. The second report, published in the following spring each year, builds on the financial overview and assesses the wider performance and challenges facing local government.

In the Financial overview of the 2018/19 financial year, we will comment on:

- the 2018/19 funding settlement from the Scottish Government, councils' budget responses and the budget pressures and constraints

- councils' financial performance in 2018/19
- the funding, financial planning and performance of Integration Joint Boards
- councils' financial positions at 31 March 2019, including levels of reserves, debt, financial sustainability and spending
- transparency of financial reporting and responsiveness to audit recommendations
- the financial outlook and implications for medium and long-term financial planning.

Why is this audit important?

Local government provide a diverse range of important services to the people of Scotland. Councils spend around £15 billion of public money each year and local government is one of Scotland's largest employers with around 243,000 staff. Demand for services and pressure on budgets continue to increase making good fiscal planning, management and governance as critical as ever. The current financial pressures facing the Scottish public sector mean it is important to report publicly on how local government in Scotland is managing the financial challenges.

How will we carry out the audit?

Our report will draw on the audited annual accounts and annual audit reports of councils, Integration Joint Boards and local government pension funds. We will also draw on information from the local auditors, national performance audit reports, and information from other sources including published data.

What impact will the audit have?

The report will provide an independent assessment and assurance to the public about how effectively Scottish local government is managing public money and responding to the financial challenges it faces. It is also intended to assist councillors and council officials in their preparations for budget setting for the coming financial year.

Report timing

We will publish the *Local government in Scotland – Financial overview 2018/19* report in December 2019. Alongside the report we will also provide a checklist of useful questions for councillors. We will also update our Tableau visualisation tool which provides easy access to further financial data that can be viewed by council area.

The wider *Local government in Scotland – Challenges and performance 2020* will be published in the spring 2020. Previous local government overview reports can be found on the Audit Scotland website.

Contact

For further information on the local government overview reports contact Kathrine Sibbald, Audit Manager, on 0131 625 1811 or ksibbald@audit-scotland.gov.uk .



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