Local Government and Regeneration Committee

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Local Government and Regeneration Committee

Report on Draft Budget 2015-16

The Committee reports to the Finance Committee and the Parliament as follows—

KEY MESSAGES

The following are the key messages from the Committee’s budget scrutiny process—

Local Government settlement 2015/16

- We note that the proposed local government settlement for 2015/16 is as broadly expected in terms of the Scottish Government’s announcement during the draft budget process last year, with the overall settlement increasing in cash terms but essentially flat in real terms. [Paragraph 15]

2015-16 Local authority allocations circular

Local government funding formula

- We believe the recently announced cross-party commission on local government funding provides an opportunity for the Scottish Government and local authorities to discuss wider issues than the council tax, such as the basis on which funds are distributed to councils. We encourage COSLA to consider the distribution formula as part of the wider consideration of local government funding. [Paragraph 30]

- We appreciate that some local authorities may not benefit from an outcomes-driven basis for the delivery of funding through the distribution formula, as the levels of deprivation they face means it is harder for them to show short term results in meeting National Performance Framework indicators and targets over councils with less deprivation in their demographic profile. Nonetheless, we encourage COSLA to look at using the data in the National Performance Framework as a means of distributing funding to councils. [Paragraph 31]

Service redesign and community planning

- We acknowledge the efforts being made by local authorities to make the benefits of community planning a reality by unlocking the resources and abilities of all CPP partners to better meet the needs of the public. However, we are concerned by the difficulties highlighted by local authority witnesses in terms of the participation of other CPP partners. Over a decade after the
introduction of community planning, it is clear the close working relationship between councils and CPP partners still has a long way to go in terms of truly joined-up long-term planning which is aligned to the needs of preventative spending. [Paragraph 47]

- It is clear from the evidence we have received, both from this scrutiny exercise and from our wider inquiry work, that people are focussed on services being provided to them, not on which part of the public sector is providing or funding those services. So the attitude all public sector partners must adopt is that money should follow people, rather than the other way round. [Paragraph 49]

- The pace of transformation of service delivery across the public services in Scotland is concerning and, in our view, needs to increase rapidly in order to deliver the kind of changes which are required in coming years. [Paragraph 52]

- In this context we note the ongoing work between the Scottish Government and COSLA on issues such as fixed policy commitments like the pupil-teacher ratio in term of local government funding, and the desire of local authorities to have flexibility around achieving educational attainment outcomes. [Paragraph 54]

Capital grants and central government revenue
- We note evidence received in term of the fiduciary duty applying to trustees of local government pension funds. There are clearly opportunities to deliver much-needed capital investment in areas such as transport and housing, if impediments can be addressed. We encourage the Scottish Government and local government pension fund managers to look closely at this aspect with a view to unlocking this funding for investment in secure local capital projects. We expect the Scottish Government to take all possible steps to facilitate such investment. [Paragraph 65]

- We will look to take evidence from local government pension funds, in terms of their operation and ability to invest, as part of our 2015 mainstreamed budget work programme. [Paragraph 66]

Integration of health and social care services
- 73. In examining the long-term service demand pressures facing local government, it is clear the delivery of joint adult health and social care services is one of the most pressing areas which needs to be addressed. There is a special onus falling upon the NHS in this regard and how it works with local government as a CPP partner. We are mindful, however, of the HEAT targets which the NHS must deliver on. The Scottish Government should work closely with local government and the NHS, within community planning to ensure all actions are in place to meet these joint pressures [Paragraph 73]
Collection of NDRI

- We are keenly aware of the cash flow pressures which many businesses face on a daily basis, especially in the small and medium size business sector. Any changes to the timescales for NDRI collection should not place businesses in an unstable cash flow position. However, we are mindful of the evidence from local authorities on this issue. We feel there is merit in the Scottish Government, COSLA and local authorities revisiting this issue as part of the wider debate on local government financing. [Paragraph 79]

Council reserves

- We recognise some local authorities may have large reserves in place; however, specific restrictions may exist in terms of the use of these revenues. While we recognise the need for local flexibility we would, nevertheless, encourage all local authorities to consider how best to make use of the reserves they hold to drive forward the service delivery models necessary to truly deliver on the preventative spending agenda. [Paragraph 83]

- CIPFA issues statutory guidance to local authorities on their annual accounting processes. This includes guidance on how councils should account for any reserves they hold. We recommend that, as part of the annual accounting process, councils should the extent to which their reserves differ from the levels specified in guidance. [Paragraph 84]

Budget implications of UK Government’s Welfare Reform Programme on Scottish local government

- The evidence received on local government financing during this session is reflective of the evidence we have received as part of our scrutiny of the draft Local Government Allocation Circular on 26 November 2014. Taken together these highlight the pressures local government services and budgets have come under in recent years, especially as a result of UK Government budget pressures. [Paragraph 101]

Please see the rest of the full report for the full conclusions and recommendations we have reached on the draft budget scrutiny.
INTRODUCTION

1. Between the financial years 1999/2000 and 2013/14, the Scottish Parliament has authorised almost £461 billion\(^1\) in DEL spending from the Scottish Consolidated Fund by way of Budgets Acts, allowing the Scottish Government to spend public funds on public services. Throughout that time, parliamentary committees have scrutinised the various parts of draft budgets relevant to their remits.

2. In November 2013 the Local Government and Regeneration Committee (“we”), reported to the Finance Committee (“you”) on our scrutiny of the 2014/15 Draft Budget. Our scrutiny of the draft budget followed the normal practice established for draft budget scrutiny by subject committees since the establishment of the Parliament in 1999.

3. Following scrutiny of the Scottish Government’s 2014-15 draft budget proposals, we agreed to mainstream our budget scrutiny, on a rolling basis, into our ongoing work programme. This is in line with the best practice guidance from your former Committee Budget Adviser, Angela Scott.\(^2\) This approach also provides a more manageable approach to the scrutiny of Scottish Government spending plans on local government and regeneration.

What this report covers

4. This report therefore covers the following pieces of scrutiny—
   - Part 1: 2015-16 Draft Budget’s local government settlement;
   - Part 2: 2015-16 local authority allocations circular;
   - Part 3: Impact of UK welfare reforms on Scottish local government;
   - Part 4: Summary of Committee’s mainstreamed financial and budget scrutiny during 2014.

Approach to scrutiny of the 2015-16 draft budget

5. In line with our decision to mainstream budget scrutiny, we have sought to examine budget and expenditure issues as part of all of our work. As a result, the majority of this report focuses on that work.

6. In March 2014, we reported to the Parliament on the Third National Planning Framework for Scotland. In that report we considered the merits of proactive debate versus reactive scrutiny when we set out our view of the Parliament’s scrutiny functions in the following terms—

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\(^1\) Scottish DEL real terms adjusted figure for 2013/14 prices (R Burnside, SPICe 2014).
\(^2\) Finance Committee guidance to subject committee’s on budget scrutiny: http://www.scottish.parliament.uk/S4_FinanceCommittee/Draft_Budget_Guidance_other_Committees.pdf
“The founding principles of the Scottish Parliament sought to place it at the heart of public debate on issues of importance to the people of Scotland. Therefore, the dictum of the traditional parliamentary system, where the government proposes and the parliament disposes, has never applied to our modern Scottish democracy. As the Parliament of the Scottish people it is incumbent on us to proactively address those issues which most affect the lives of people in Scotland.”

7. In June 2014, we agreed an approach with respect to the scrutiny of the 2015-16 draft budget. As the local government settlement for 2015-16 was expected to be broadly in line with the settlement as set out in the 2014-15 Draft Budget (see paragraphs 14 to 18), we opted not to seek any written or oral evidence on the settlement. Instead we decided to take oral evidence from COSLA, representatives of local authorities and the Deputy First Minister and Cabinet Secretary for Finance, Constitution & Economy on the 2015-16 local authority allocations circular and funding mechanisms for local government.

2015-16 settlement and process

8. The 2015-16 settlement process is slightly different to a normal year because of two factors—

- the referendum on Scottish independence took place in September, when the Draft Budget would normally be published, which meant the publication of the Draft Budget was delayed (although this did not delay publication of the circular); and

- the ongoing debate within COSLA on the system of allocating funds, with the possibility of a number of councils leaving COSLA.

9. In early July the Scottish Government published the circular containing provisional allocations to all local authorities for 2015-16. This was published earlier than normal following COSLA’s agreement the Government should uprate the needs-based indicators, having previously taken the view that every council should receive the same in 2015-16 as in 2014-15.

10. This Circular states—

“This Circular has been issued for information only at this stage. The normal consultation process will take place later in the year in early December. The allocations are only provisional at this stage and, in line with established practice, local authorities should not set their final budgets on the basis of these until the final allocations are confirmed following the end of the consultation period and the publication of the February 2015 Circular.”

“The allocations have been arrived at using the standard agreed distribution methodology, including uprating of the needs based indicators.”

11. We agreed to focus our budget scrutiny on the current funding mechanism for local government. This decision was made in the wake of our inquiry into the Flexibility and Autonomy of Local Government in Scotland (see paragraphs 31 to 35), and the ongoing debate on the structure by which local government is funded.

12. Also relevant now is the report by the Commission on the Future of Local Democracy and, in the wake of the Independence Referendum, the Report of the Smith Commission on further devolution for Scotland. Part 2 of this report sets this out in more detail.

PART 1: 2015-16 DRAFT BUDGET LOCAL GOVERNMENT SETTLEMENT

Overview of the 2015/16 local government settlement

13. On 14 November 2014 the Scottish Parliament’s Financial Scrutiny Unit (FSU), published a briefing analysing the local government allocations in the 2015-16 draft budget. This showed the total allocation to local government in the draft budget is £10,756.7 million. This represents a slight real terms increase of £0.6 million on the total local government allocation for 2014-15. The total allocation includes the General Resource Grant; Non-Domestic Rates Income; support for capital and specific resource and capital grants.

14. The FSU analysis sets out the main headline issues for the 2015-16 local government allocation as follows—

- The combined figure for General Resource Grant + Non-Domestic Rates Income is guaranteed to local government. The combined GRG+NDRI is decreasing by 0.4% in real terms from the 2014-15 allocation;

- Within that, Non-Domestic Rates Income is expected to increase by 4.0% in real terms, and the General Resource Grant is decreasing by 2.1% in real terms;

- The total cost of the council tax freeze in 2015-16 is £560m, the total cumulative cost from 2008-09 to 2015-16 is £2,520m;

- The provisional allocations to local authorities for 2015-16 were outlined in summer 2014, and the revised circular will be published on 11 December 2014. This will include the allocation of a number of other funds, totalling over £500m (around 5% of the total). These funds are included in the Draft Budget 2015-16 but have not yet been allocated to local authorities, so it is not possible at present to produce accurate, comparable, year-on-year change figures for the 2015-16 allocations.

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• The FSU briefing therefore uses the final 2013-14 and 2014-15 allocations to provide analysis of individual local authority settlements.\(^5\)

Conclusions

15. **We note that the proposed local government settlement as outlined above is as broadly expected in terms of the Scottish Government’s announcement during the draft budget process last year, with the overall settlement increasing in cash terms but essentially flat in real terms.**

PART 2 – 2015-16 LOCAL AUTHORITY ALLOCATIONS CIRCULAR

16. We agreed to focus our budget scrutiny on examining the 2015-16 local authority allocations circular and issues

17. On 26 November 2014, we took evidence from Hugh Dunn, Director of Finance at City of Edinburgh Council, Lindsay Freeland, Chief Executive of South Lanarkshire Council, Roddy Burns, Chief Executive of Moray Council, as well as Cllr. Kevin Keenan, Finance spokesperson and Vicky Bibby, Head of Finance Team, of COSLA.

18. We then took evidence from John Swinney MSP, Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy.

19. In advance of their evidence on 26 November, we requested all three local authorities appearing before us to respond, in writing, broadly addressing the following topics—

• The extent to which the current funding formula and method of distribution to local authorities is fit for purpose;

• The main issues of concern with the present distribution formula;

• The current and historic balance between central government funding and locally-generated funding and the implications of this for local authorities;

• The level of Non-Domestic Rates collected by your local authority, and how this impacts on your funding;

• Any ways in which the current system for collection and distribution of Non-Domestic Rates might be improved, and

• The anticipated impact of the 2015/16 settlement on your services.

20. The submissions received from local authorities are available on the Committee website.\(^6\)


\(^6\)
Cost pressures

21. The Scottish budget is subject to the block grant provided by the UK Government, and Scottish local government is facing significant budget pressures as a result of some of the following issues—

- A growing demand for health and social care spending, principally arising from demographic changes;

- Wage inflation generally is impacting on local government like many other portfolios. This however, coupled with the commitment to maintain teacher numbers, further movement towards implementing the living wage, and a continued need for some councils to set aside money for equal pay and single status claims, is also impacting on local government finances;

- The 2015-16 budget will see the Council Tax frozen for the eighth year in a row. Between 2008-09 and 2015-16 the Scottish Government has provided just over £2.5 billion to local government to cover the freeze;

- Councils are legally required to set balanced budgets, yet councils currently have few other means of raising additional revenue. As funding pressures increase this places them in the position of believing that they either have to cut back on revenue spending by reducing services, or reducing staff levels. Whereas, the introduction of transformational change would allow the most to be made from the funding they have available to them.

Evidence and conclusions

Funding formula

22. 2014 has seen a degree of disquiet in terms of COSLA membership. Various councils have announced plans to withdraw from membership of COSLA. One of the main issues cited by councils in relation to this is unhappiness with the distribution formula used to provide funds from the local government settlement, and the various indicators on which the distribution formula is based.

23. One of the issues raised had been the extent to which the formula is fit for purpose, given the debate around the use of demographic data to allocate funds. Other issues raised include whether enough emphasis is placed on needs and whether the distribution should be more closely aligned to outcomes under the National Performance Framework.

24. Responding to these questions, Roddy Burns of Moray Council stated—

“Our view is that, given what the distribution formula has to do in distributing funds to meet both urban and rural needs, and to address all the other factors that have to be taken into account, it is, on balance, fit for purpose. However, it is a question of the quantum, as has been mentioned by my colleague.”

6 Written submissions:
http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/76238.aspx
25. Lindsay Freeland of South Lanarkshire Council supported the view that the total quantum of funding available for distribution under the formula was a pressing issue. He also stated—

“It is necessary to find a way to distribute it across 32 local authorities. The problem with moving from a flat-cash-based system to a needs-based system is that a number of local authorities lost out in the first year. In addition, the comparative data that are being used for part of the calculation come from 2001, although I know that work is under way to change that. In addition, there is continuous growth in demand in the system. Even if the population in South Lanarkshire goes up, it might not go up relative to the populations in other local authority areas, so although we would have a higher population, the amount of cash that we would receive through the distribution method might go down because our population had not gone up by as much as the populations of other authorities.”

26. Hugh Dunn of City of Edinburgh Council highlighted that Edinburgh was one of the councils which “gets less money than other authorities” in terms of receiving funds under the present distribution formula, “because of the distribution method and [their] client base”. But he acknowledge that, from the City of Edinburgh Council’s point of view—

“The 85 per cent floor has been beneficial. From memory, when it first came in it gave us about £21 million or £22 million. With the recent settlement for next year, that has been reduced to about £10 million or £11 million. However, it is extra funding that brings us up to the 85 per cent rule, so it is helpful. The council gets less money than other authorities because of the distribution method and the client base, but that is understood.”

27. Questioned on whether the funding formula should be more reflective of national outcomes, the Deputy First Minister was supportive of this suggestion—

“That would be the logical extension of the national performance framework, and I would certainly be able to explore driving funding much more through the achievement of greater performance and success. However, we would have to ensure that that was properly structured to take due account of the fact that there is a range of areas in which we are keen to make progress. The national performance framework is a balanced approach across a range of policy indicators, so we would have to have a range of priorities in mind if we undertook such an assessment.”

28. On 26 November, the First Minister announced the establishment of a cross party commission to examine “alternatives to the existing council tax system that would deliver a fairer system of local taxation to support the funding of services

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delivered by local government” and come up with proposals for reform by the autumn of 2015. In our inquiry report on Flexibility and Autonomy in Local Government we called for a full review of all local government funding. We therefore welcome the Government’s decision to move forward with the council tax aspect of this, but remain convinced of the need for all aspects of local authority funding to be examined in the round.

29. On 27 November 2014, the Smith Commission on further devolved powers for Scotland published its report. This set out new areas of control for Scotland in terms of taxation, welfare and other powers. This report suggests that some additional assets and revenue generating powers devolved to Scotland could be further devolved to local authorities and communities.

30. **We believe the recently announced cross-party commission on local government funding provides an opportunity for the Scottish Government and local authorities to discuss wider issues than the council tax, such as the basis on which funds are distributed to councils. We encourage COSLA to consider the distribution formula as part of the wider consideration of local government funding.**

31. **We appreciate that some local authorities may not benefit from an outcomes-driven basis for the delivery of funding through the distribution formula, as the levels of deprivation they face means it is harder for them to show short term results in meeting NPF indicators and targets over councils with less deprivation in their demographic profile. Nonetheless, we encourage COSLA to look at using the data in the NPF as a means of distributing funding to councils.**

32. **The Parliament will shortly debate our findings and recommendations of our inquiry on Flexibility and Autonomy in Local Government. This will be the first opportunity the Parliament has had to debate local government funding in the wake of the announcement of the establishment of the Government’s cross-party commission, as well as the publications if the Smith Commission proposals on new devolved powers for Scotland.**

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**Service redesign and effective community planning**

33. The debate around an outcomes-based system for funding is, of course, closely linked to the issue of delivering on the Christie Commission principles of preventative spending. Several of the witnesses referred to the need to ensure that the design of service is properly aligned to achieve this.

34. Councillor Kevin Keenan of COSLA referred to the need to ensure preventative spending becomes central to the way local authorities design their services and shape the associated budget provisions to support them—

“The conversation about the Christie commission is on the radar, and it needs to happen. Given the demographics—the population will grow and people will be older and will need more care—we have to look at ways to introduce at an early stage a mechanism that prevents people from falling into ill health. Through the local community planning partnership, I would

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like to see more social prescribing, whereby doctors use our sports facilities and coaches in local government to ensure that people take a bit of light exercise in order to reduce high blood pressure, heart disease and the like.”

35. Central to the successful delivery of a design model which supports the preventative spending agenda are community planning partnerships, and the new duties placed on all public sector partners through the Community Empowerment (Scotland) Bill will, we believe, assist in providing momentum in achieving this.

36. Effective planning and funding co-ordination across CPP partners will be key to maximising the public sector’s ability to respond to the challenges of meeting an ever-growing demand for services while operating in an environment of reduced funding.

37. An example of this was highlighted by Roddy Burns of Moray Council when he spoke about the process they are undertaking in terms of planning their long-term priorities and budgets—

“Certainly in Moray, it is a question of beginning to understand what the available resources and assets are across the wider partnership, and then trying to understand whether they are meeting the priorities….”

38. Expanding on this to explain how CPP partners are engaged in this process, he continued—

“We have had a series of meetings in the past six weeks or so to finalise the 10-year plan—the 10-year outcome agreement. The next logical consequence of that is to start sharing resources in order to deliver the plan. The partnership has given every priority, and the targets behind every priority, a confidence rating on a scale from 1 to 4. Clearly, getting some priorities further up the scale will require shifting of resources in the partnership, so the next phase will be about looking at what is on the table in the partnership and at what can be shifted and reprioritised.”

39. Lindsay Freeland of South Lanarkshire stated that “everybody agrees with the principles of prioritisation and joint working in community planning” however some difficulties exist in integrating outcome planning with budgetary planning across various CPP partners—

“The difficulty comes when we start trying to articulate the actions that are required to meet those priorities and we come up against competing interests from the organisations that are involved. There are also financial barriers and financial difficulties that some organisations have in relation to meeting existing priorities. In South Lanarkshire, we are starting to try to articulate those actions in budgetary terms to make sure that we can join up the budgets…. there are things that have been going on for years that are proving to be not as effective as they should be, therefore—this is the difficult bit—there is an element of trying to dismantle them and move towards a new world. There is a lot of commitment to doing that within the

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local authority world and in the public sector; it is just not happening as fast as people would like.\textsuperscript{15}

40. Hugh Dunn of Edinburgh City Council acknowledged the need for local authorities and other CPP partners, to get better at community planning. While the culture of the public sector may focus on who is responsible for what and which organisation pays for which service, the public only care about outcomes—

“We can do things slightly differently from what we have done in the past. We accept that the quantum funding situation is difficult. We need to work better together, either among ourselves or with partners such as the health board, so as to work efficiently and effectively to deliver the outcome. It is the outcome that people care about, no matter who delivers it”.\textsuperscript{16}

41. Councils also flagged up issues where service redesign is affected by Scottish Government policy. Most notably, this was highlighted in the context of the agreed pupil-teacher ratio between the Government and councils. Referring to the pressures this is placing on councils in terms of flexibility, Cllr Kevin Keenan of COSLA told us—

“We are looking to negotiate with the Government on that to see whether we can bring about a change whereby funding is based more on outcomes than on teacher numbers. We have an on-going conversation with the Government on that. I suppose that it is the Government’s position that having accepted the settlement, we have agreed to the pupil to teacher ratio. However, there is a clear wish to move to a different model that would allow more flexibility.”\textsuperscript{17}

42. Cllr Keenan went on to inform us that—

“At the moment there is a feeling among councils that it will be difficult to maintain teacher numbers. Some people will be looking at flexibility through school closures and mergers in order to reduce the overall number of teachers, and I think that work is going on to reach some sort of agreement with Government about whether outcomes would be better, because really we are looking at whether educational attainment is about what happens as pupils go through school or what they come out with at the other end. That, rather than hard-and-fast teacher numbers is the issue for COSLA.”\textsuperscript{18}

43. Cllr Keenan concluded by stated “the outcome that COSLA is looking for is delivery of the best educational attainment.”\textsuperscript{19}

44. Lindsay Freeland of South Lanarkshire Council also reflected this view—

“I make a plea for flexibility. Budgets are tight and the pupil to teacher ratio is an area in which we could make changes without impacting on pupil outcomes. Just now we are restricted, so our financial planning assumes no

change, but if there is to be a change it would be helpful to have some
direction on that. Flexibility could have a positive impact on our financial
position without having a negative impact on outcomes for children.”

45. In his evidence to us the Deputy First Minister made clear the importance of
the role of CPPs –

“…which will be established in statute by the Community Empowerment
(Scotland) Bill. We look to community planning partnerships to break down
the barriers, boundaries or silos—to make sure that we have a much more
integrated and focused approach to the delivery of public services. That is
crucial to ensuring that we guarantee that the resources that we have at our
disposal have the maximum impact and that individuals are able to secure
the support that they require.”

46. Referring to the issue of the flexibility around the pupil-teacher ratio, the
Deputy First Minister remarked—

“…the agreement that we have reached with local government since 2011
has been to maintain the pupil teacher ratio in local authority schools at the
2011 level, which is about 13.5. It has broadly been consistently at that level
over that period. In relation to this settlement, we agreed with local
government to explore whether there is a more appropriate way of trying to
manage our educational resources to take into account the necessity, which
we all accept, to improve educational outcomes. That work has been
commissioned through the agreement that was reached with local
government over the summer in advance of the announcement of the
budget. It has a pretty tight timescale. If my recollection is correct, it is due
to complete before the end of this financial year, so we should have it to
hand before the start of the next financial year.”

47. We acknowledge the efforts being made by local authorities to make
the benefits of community planning a reality by unlocking the resources and
abilities of all CPP partners to better meet the needs of the public. However,
we are concerned by the difficulties highlighted by local authority witnesses
in terms of the participation of other CPP partners. Over a decade after the
introduction of community planning, it is clear the close working
relationship between councils and CPP partners still has a long way to go in
terms of truly joined-up long-term planning which is aligned to the needs of
preventative spending.

48. We have referred many times in previous reports to the challenges
created by the culture and mind-set amongst public sector partners,
especially in terms of silo mentality in terms of operating and budgeting.

49. It is clear from the evidence we have received, both from this scrutiny
exercise and from our wider inquiry work, that people are focussed on
services being provided to them, not on which part of the public sector is
providing or funding those services. So the attitude all public sector

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partners must adopt is that money should follow people, rather than the other way round.

50. The Community Empowerment (Scotland) Bill is a necessary development in ensuring all public sector partners are fully engaged in meeting service demands which fall across various funding streams, for example health costs falling on NHS budgets and social care costs on local government budgets, when decisions on each impact the other in terms of knock on effect etc.

51. We note the comments of Moray Council and are surprised by the way in which it, and its CPP partners, have approached the task of long-term priority planning. We would expect local authorities and CPP partners to consider the budgetary implications of long-term plans in tandem with development of those plans, not as a next step. Again, this further highlights the need for cultural change amongst CPP partners to lie at the heart of community planning.

52. The preventative spending agenda is also dependent on the successful development of alternative models of delivering services. This is a topic on which the Committee has commented at length in our three-strand inquiry on Public Services Reform and Local Government. We will not restate the key messages of that inquiry here, save to say that the pace of transformation of service delivery across the public services in Scotland is concerning and, in our view, needs to increase rapidly in order to deliver the kind of changes which are required in coming years.

53. The new community planning duties being imposed on other public sector partners as part of the Community Empowerment (Scotland) Bill should form the basis for a renewed impetus for the redesign for public service delivery.

54. In this context we note the ongoing work between the Scottish Government and COSLA on issues such as fixed policy commitments like the pupil-teacher ratio in term of local government funding, and the desire of local authorities to have flexibility around achieving educational attainment outcomes.

Capital grants and central government revenue

55. An underlying theme of successive examinations by us into local government funding is the cry from local government for their funding to be increased, either by means of creating new local revenue raising ability or by increasing the size of the settlement from central government, or a combination of both. This is not unsurprising as all elements of the public sector seek to maximise the resources they have available to them.

56. The fixed nature of the Scottish budget leaves little flexibility in terms of increasing funding in a given area, such as local government, without reductions elsewhere. We therefore sought views from witnesses as to where additional local government finding could be found?

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57. Referring to the problems of trying to reshape local government budgets to meet increased cost pressures and service demands, Cllr Kevin Keenan of COSLA told us that-

“COSLA is starting to form the opinion that the council tax freeze cannot exist forever and we need to find some mechanism of local government receiving that bit of extra money. We have looked at physical empowerment and we would ask that the Government take that seriously as we develop it, so that we can develop it together. There may be a way forward for local government to be in a better place financially. We are prepared to take some of the risks relating to how those funds would be raised, but we need to have that conversation.”

58. Other witnesses also referred to the issue of working within a fixed budget. Lindsay Freeland of South Lanarkshire Council said—

“... one possibility would be to allow councils to set their own rates of council tax again. There is also an issue with non-domestic rates. The business rates incentive scheme was an incentive for local authorities that was about to be implemented and then—I think it was defined as a significant event—the rules changed. In South Lanarkshire Council, there was the potential for us to gather about £8.5 million-worth of additional income, if that scheme had gone ahead. A change in position on local taxation—council tax and non-domestic rates—would be helpful to local authorities.”

59. Lindsay Freeland also spoke of other form of revenue becoming available to local authorities—

“We will be beneficiaries of the city deal, which was announced recently. We will get approximately £170 million of investment in South Lanarkshire, which is being achieved by unlocking the taxation system and providing us with incentives, effectively, to spend some council cash. That is mainly funded by the Scottish Government and the Westminster Government.”

60. Speaking of the actions taken by Edinburgh City Council to innovate new ways of generating capital funding, Hugh Dunn told us—

“The situation pushes us to consider alternative ways of delivering services. In Edinburgh, the national housing trust initiative has been very successful in providing houses in a cost-efficient way, in comparison with previous funding methods. Edinburgh is using the growth accelerator model to allow the development of the St James quarter. We are considering the business rate incentive scheme, so that there is some reward in growth in the economy, coming back to local authorities.”

61. Other ways in which local authorities could generate capital funding, and thereby ease pressure on revenue budgets were also discussed. We heard about

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the reluctance of many local government pension funds to look to invest in capital investments.

62. When asked why pension funds have seemed so reluctant to invest in this way, Hugh Dunn of Edinburgh City Council told us—

“The pension funds are considering that possibility. There is indeed an income stream with housing, which matches the liability stream that pensions need to pay out. There seems to be a connection there. As with all such things, it is up to the pension fund to make the best decisions for the employees who will get a pension from that. There is a fiduciary duty to those pensioners. In considering the possibility, pension funds will act in the light of the investment decisions that they want to make. We have had discussions on the matter.”

63. Cllr Keenan, in his role as a Director of the Tayside Pension Fund, set out some of the issues which lay behind this reluctance—

“We have a fiduciary duty to return the best capital that we can for the fund to ensure that the pensioners and deferred pensioners are looked after. We have had the conversation with investment fund managers, and their view would be that such measures are possible. Some level of Government incentive would be needed to make it happen. Alex Neil may well have had such a conversation; we have certainly had it at COSLA. Mr Neil would probably wish for that to happen. The question is what the incentive would be and how quickly it would be possible to get the cash back out. It might not be desirable to invest in a property for the long term. That was the view of the pension fund managers. From a fiduciary duty point of view, it would be our wish to disinvest with tobacco, but it delivers a lot of money. We are finding it very difficult to do that.”

64. The Deputy First Minister spoke of the difficulty of getting local government pension funds to invest in public infrastructure projects—

“It has been one of my frustrations that local authority pension funds have been less involved in committing to support public sector infrastructure than I believe should be the case. One particular example that is etched in my memory concerns the M80 upgrade between Stepps and Haggs….The road is a fundamental part of Scotland’s infrastructure, and the Government would have to make repayments for it over the years. It was therefore a totally secure, safe and robust long-term investment, and yet no pension fund supported it. It has frustrated me that local authority pension funds have not seen a role for themselves to invest their resources in some of the long-term infrastructure projects. That position is improving now, but it has been a frustration over the years.”

65. We note the comments of Cllr Keenan in term of the fiduciary duty applying to trustees of local government pension funds. There are clearly opportunities to deliver much-needed capital investment in areas such as

transport and housing, if impediments can be addressed. We encourage the Scottish Government and local government pension fund managers to look closely at this aspect with a view to unlocking this funding for investment in secure local capital projects. We expect the Scottish Government to take all possible steps to facilitate such investment.

66. We will look to take evidence from local government pension funds, in terms of their operation and ability to invest, as part of our 2015 mainstreamed budget work programme.

Integration of health and social care services

67. We also received evidence on the issue of the integration of health and social care services. Flagging this up, Vicki Bibby of COSLA told us—

“The pressures on health and social care budgets are significant...you rightly mentioned the health and social care agenda. It is key that we look at health in the widest sense and that we do not focus only on the national health service. The pressures on health, particularly on the social care side of things, will put significant pressure on local government and the partnerships.”

68. Failure by councils to implement the integration of health and social care services will add to these pressures.

69. The Deputy First Minister stressed the critical role CPPs must play in providing a cross-sectorial response to the demands of integrated health and social care in order to support some of the most fragile and vulnerable individuals in our society. Rightly noting that vulnerable members of the public, and their families, cannot understand and have no interest in understanding which part of the public sector is paying for their care, he told us—

“It is the key reform to ensure that vulnerable individuals obtain the support to which they are properly entitled and that public finances and services are made sustainable as a consequence...Such debates (between public authorities) consume valuable resources in themselves, and it is frustrating when resources that could be deployed on caring for vulnerable individuals are being spent on a game of ping-pong to decide who is going to pay for the care, even though it is obvious that the individual needs that support.”

70. The Deputy First Minister concluded by telling us “adult health and social care integration must lance” the problems of cost pressures and delays in integrated service provision “and do so ferociously.”

71. The Scottish Government has guaranteed to increase “the NHS’s revenue budget by more than the rate of inflation for the remainder of this session of Parliament, and that if [it is] re-elected in 2016 we will ensure real-terms rises in the revenue budget for every year of the next session of Parliament, too.”

72. However, it is important to realise that the NHS is not the only agency of the public sector which delivers health services to the public. The development of integrated health and social care means that local government is now a key part of the health system and, as such, public spending on meeting health outcomes must reflect this. Community planning provides the basis upon which the budgets of the NHS and local authority can jointly deliver the health outcomes Scottish society expects and needs.

73. In examining the long-term service demand pressures facing local government, it is clear the delivery of joint adult health and social care services is one of the most pressing areas which needs to be addressed. There is a special onus falling upon the NHS in this regard and how it works with local government as a CPP partner. We are mindful, however, of the HEAT targets which the NHS must deliver on. The Scottish Government should work closely with local government and the NHS, within community planning to ensure all actions are in place to meet these joint pressures.

Collection of Non Domestic Rates

74. Moray Council suggested in its written evidence that additional flexibility could be provided to councils by examining the 6-month timescale for the recovery of Non Domestic Rates Income (NDRI) in terms of accessing revenues to provide services.

75. Referring to this, Roddy Burns of Moray Council explained—

“That is about consistency between two ways of collecting tax. The general presumption is that the longer it takes to collect a tax, the less easy it is to collect. If there were an earlier point of intervention for non-domestic rates recovery, that would, we hope, be as successful as it is for other forms of local taxation.”

76. Hugh Dunn of the City of Edinburgh Council elaborated on this point—

“My understanding is that companies can pay the whole instalment for non-domestic rates at the halfway point of the year. I think that what Moray Council is alluding to is that there might be no tax collection in the first five months but by the halfway point of the year circumstances might have changed, which would make it more difficult to get rates into the organisation.”

77. South Lanarkshire also supported this view, with Lindsay Freeland telling us if councils “were allowed to be proactive during the first five or six months,” of the year in terms of collecting NDRI, they “might collect more cash.”

78. Responding to questions put to witnesses around their views on the timescales for NDRI recovery, the Deputy First Minister stated—

“We explored that to an extent in the 2013 consultation on business rates. COSLA raised the recovery timetable with us, and the Government

response was that we were prepared to consider certain issues. I am
certainly open to exploring some of those issues. We are clear that it is
important that local authorities receive timeously the resources to which
they are entitled through proper charging of bills. If there are ways in which
we can assist local authorities to recover those sums, we would certainly be
happy to do that. My one caveat on business rates would be that
businesses obviously have to take care from time to time with their
payments and other issues that can affect their sustainability. Providing that
there was enough discretion in the system to apply sensible judgments to
businesses that might be facing a bit of a delay in cash-flow terms, I would
be prepared to consider the suggestion on business rates.”

79. We are keenly aware of the cash flow pressures which many
businesses face on a daily basis, especially in the small and medium size
business sector. Any changes to the timescales for NDRI collection should
not place businesses in an unstable cash flow position. However, we are
mindful of the evidence from local authorities on this issue. We feel there is
merit in the Scottish Government, COSLA and local authorities revisiting
this issue as part of the wider debate on local government financing.

Ring-fencing
80. All of the local authority witnesses welcomed the additional flexibility the
reduction in the level of ring fenced resources from central government has
provided to councils since Financial Year 2008/09, and we echo these views.

Council reserves
81. Some discussion took place around the role which local authority reserves
may play in assisting the delivery of the preventative spending agenda. For
example, where councils have based service design decisions on population
estimations which subsequently proved to be inaccurate, or where other
demographic considerations, such as a higher proportion of older people, had led
to cost pressures.

82. Acknowledging the role council reserves may play in assisting deal with
these types of pressures, the Deputy First Minister said—

“There is a prudential judgment to be made by individual local authorities on
the appropriate level of reserves. The Accounts Commission or Audit
Scotland will have established guidance on the appropriate level of reserves that should be held. Obviously, in some circumstances local
authorities will hold reserves in excess of that for a specific purpose. They
might also hold reserves in housing revenue accounts that have particular
purposes and constraints applied to them. There will be a variety of reasons
why a local authority might hold reserves that are greater than the Accounts
Commission’s recommended level. Ultimately, that is a judgment for
individual local authorities. Of course, some authorities will have used
reserves to support some of their service transformation programmes to
ensure greater sustainability in the long term, which is a very sensible
utilisation of reserves for local authorities to take forward.”

39 Local Government and Regeneration Committee, Official Report 26 November 2014, Col 37
83. We recognise some local authorities may have large reserves in place; however, specific restrictions may exist in terms of the use of these revenues. While we recognise the need for local flexibility we would, nevertheless, encourage all local authorities to consider how best to make use of the reserves they hold to drive forward the service delivery models necessary to truly deliver on the preventative spending agenda.

84. CIPFA issues statutory guidance to local authorities on their annual accounting processes. This includes guidance on how councils should account for any reserves they hold. We recommend that, as part of the annual accounting process, councils should disclose the extent to which their reserves differ from the levels specified in guidance.\(^{40}\)

**PART 3 – BUDGET IMPLICATIONS OF UK GOVERNMENT’S WELFARE REFORM PROGRAMME ON SCOTTISH LOCAL GOVERNMENT**

85. On 28 May 2014, we held a one-off oral evidence session with the Chief Executives of City of Edinburgh Council; Highland Council; North Ayrshire Council; Renfrewshire Council.

86. We also took evidence from the Child Poverty Action Group, Citizens Advice Bureau, Community Food and Health Scotland, Oxfam Scotland, the Scottish League of Credit Unions and Shelter Scotland. The full Official report transcript of this evidence is available online.\(^ {41}\)

**Overview**

87. It is clear local government is facing increasing financial and administrative problems, as well as increased pressure on service provision as a result of the UK Government’s welfare reform programme.

88. These pressures result from three aspects of this programme. Firstly councils are experiencing increased pressure on public services and grant programmes as welfare recipients seek relief from the effects of the UK reform programme.

89. Secondly, local authority income in areas such as housing rent is being negatively impacted as a result to changes to the UK benefits programme.

90. Finally, uncertainty over the timescales and implementation regimes of these changes mean local authorities are finding it very difficult to undertake any long term planning to address this issues. This is coupled with the problem that councils cannot begin to reshape their administrative systems to suit the new conditions (i.e. how housing rents are collected etc.) without knowing the final shape of the benefits system.

91. The following are some of the issues raised by councils as a result of the UK Welfare Reform programme which are impacting across the entire Scottish


local government sector. These are by no means the only issues, or the most pressing for every council, as difficulties will vary from council to council area.

**Housing, rental arrears and Discretionally Housing Payment funds (DHP)**

92. All councils have recorded increase pressures from the numbers of tenants in rental arrears impacting on income, difficulties with under occupancy rates as a result of welfare reforms, housing stock and tenancies issues and increases in applications for DHPs. Some issues councils highlighted to us—

- More than 60 per cent of North Ayrshire’s tenants receive benefit payments either in full or in part, so the Council expect a significant impact on its rent levels, from the introduction of universal credit.

- North Ayrshire Council fully expended its DHP fund for 2013-14. North Ayrshire Council has seen an increase in applications to DHPs fund from 500 in 2012-13 to 4,500 in 2013-14. Also more than 5,000 of North Ayrshires’ tenants visited housing service in one year, and homeless rates have increased 10% in the council area last year.

- Edinburgh City Council had 44% of publically rented housing under-occupied in 2013-14. Owing to the impact of welfare reforms loss of rental income is a concern for Edinburgh Council.

- Highland is the only council in Scotland currently implementing Universal Credit (on a pilot basis with the DWP). This process has been a slow one. Highland Council has spent 78% of its DHP in 2013-14 neutralising the impact of the bedroom tax for its own tenants.

- Well over half of Renfrewshire Council rental income is paid directly through housing benefit, either in full or in part, therefore the introduction of universal credit could have a serious impact on arrears.

- In Renfrewshire Council’s area up to 40% of councils tenants have not applied to the councils DHP budget, and social landlords report an on-take up rate of 35% of tenants.

- In 2013-14 Renfrewshire Council 22% of DHP expenditure was related to non-bedroom tax cases. Currently all tenants need to apply for a financial assessment before councils can make a DHP payment;

**Child and family poverty and use of food banks**

93. Another concern of councils was the sharp rise in the level of family and child poverty and the growth of and use of food banks. This not only placed immediate short-term pressures on councils, but also creates future service and cost pressure for councils.

94. All local authorities have experienced a rise in food banks since the beginning of the recession, however this has increased sharply in the last 12 to 18 months, as the UK Government’s welfare reform programme is implemented.

95. This fact was highlighted in the most recent Scottish Welfare Fund Statistics which showed that, between April and June 2014 the fund gave out £980,000 of
grants for food.\textsuperscript{42} Scottish Government information also shows that almost 71,500 people, including almost 23,000 children, have been provided with food from a food bank in the past year.

96. The evidence we received bears out these statistics as councils such as Edinburgh, Highland, North Ayrshire and Renfrewshire, have all seen a dramatic increase in demand for access to food banks or voucher support for food bank assistance.\textsuperscript{43}

Impact on the preventative spending agenda
97. Another issue councils referred to was the potential impact of the UK welfare reforms on the delivery of the preventative spending agenda in tackling poverty, deprivation and inequality—

- North Ayrshire Council told us it has provided extra support to its local Citizens Advice Bureaux to help them cope with increased demand from the public.

- Renfrewshire Council expressed concerns about the impact of welfare reforms on child poverty because of the impact of poverty in early years to the life chances of children. Renfrewshire Council told us it is keen to invest in the prevention agenda, but budget pressures as a result of public expenditure reductions, coupled with welfare reform pressures, make it incredibly difficult to invest in prevention.

Pressures on council reliefs, grants and emergency funding
98. All councils told us of the increased pressures they were experiencing in terms of various forms of financial reliefs, emergency grants and other such supports they provide—

- Edinburgh City Council had spent 73.2\% of their crisis grant allocation by the end of financial year 2013/14. They have also seen an additional 250,000 people seeking kinship carer’s support from them. This has been affecting not only those directly impacted by benefit changes, but to others in their wider support network.

- Due to an increase in DHP applications, and short term pressures such as use of food banks, Renfrewshire Council had spent all welfare fund money given to it by Scottish Government for 2013-14. It has had to supplement the welfare fund with £150,000 of its own resources.

COSLA distribution formula
99. Witnesses also spoke of the ongoing difficulties with the operation of the COSLA distribution formula for local government funding, with several councils pushing for changes to the current formula. This has been a source of major tension and friction between various councils and COSLA. As part of this discussion, some council referred to various other resource pressures, such as—

\textsuperscript{43} Local Government and Regeneration Committee, \textit{Official Report 28 May 2014},Cols 3603; 3612; 3615-16; 3628-29 and 3631.
- Highland Council stated that the COSLA distribution formula must continue to take into account the rural dimension for service provision.

- Renfrewshire Council noted the COSLA distribution formula has changes slightly between 2013-14 and 2014-15, but the Council feels the formula should be improved as it does not take enough account of demands for DHPs and the formula should reflect more.

- Renfrewshire Council cited other cost pressures which have been exacerbated by welfare reforms. It noted the benefit administration subsidy provided by the DWP has been cut by 25% over last three year while there has been a twentyfold increase in level of benefit changes locally. This has places significant cost pressures on the council.

100. As our oral hearing session showed, councils have responded to the impact of the UK welfare programme by undertaking a number of initiatives, as well as by allocating extra resources to respond, either directly to the pressures placed in their services (such as rent arrears), or more broadly in support of wider community objectives (such as resourcing food banks or providing additional to services like the Citizens Advice Bureaux to name but two).

101. The evidence received on local government financing during this session is reflective of the evidence we have received as part of our scrutiny of the draft Local Government Allocation Circular on 26 November 2014. Taken together these highlight the pressures local government services and budgets have come under in recent years, especially as a result of UK Government budget pressures.

PART 4 – SUMMARY OF MAINSTREAMED BUDGET SCRUTINY TO DATE

Ongoing work

102. We are currently scrutinising two pieces of primary legislation which will have implications for both the Scottish Budget and for local government budgets. These are—

- The Community Empowerment (Scotland) Bill, and
- The Air Weapons and Licensing (Scotland) Bill.

103. At the time of considering and agreeing this report, we are completing our evidence taking on the Community Empowerment (Scotland) Bill. We will report our views on the Financial Memorandum on the Bill in our Stage 1 report to the Parliament.

At the time of considering and agreeing this report, we had not yet commenced any substantive oral evidence taking on the provisions of the Air Weapons and Licensing Bill. Therefore we have no comments to make at this stage about the costs surrounding the legislation.
2014 mainstreamed budget scrutiny

104. As part of our 2014 work programme we have considered financial and resource implications in relation to the following pieces of work/policy areas—

- Regeneration and community planning as part of our Delivery of Regeneration in Scotland inquiry (Feb 2014);
- Planning as part of our scrutiny of the draft third National Planning Framework and review of Scottish Planning Policy (March 2014);
- The Financial Memorandum on the Defective and Dangerous Buildings (Recovery of Expenses) (Scotland) Bill (March 2014);
- The impact of UK welfare reforms on local government budgets as part of a one-off oral evidence session (May 2014) (see paragraphs 87 to 103).
- The Financial Memorandum on the Disabled Persons' Parking Badges (Scotland) Bill (May 2014);
- Local government funding as part of our inquiry on the Flexibility and Autonomy in Local Government (June 2014) (see paragraphs 31 to 35).

Spending on regeneration and community planning

105. In our first major piece of work in 2014 we examined the Scottish Government financing on regeneration.

106. As we had established from our scrutiny of regeneration funding during our consideration of the 2013-14 draft budget, there is a high degree of complexity in determining the resource associated with regeneration, and therefore what that funding is achieving.

107. We acknowledge due to the cross-cutting nature of regeneration activity, resources to support it can derive from a variety of direct and indirect sources, dependent on what is deemed to be ‘regeneration’. As we discovered, the full scale of investment and activity related to regeneration activity across Scotland is not clear, coming back to issues in agreeing a common definition of regeneration.

108. Given the complex map of funding (and the related differing priorities involved) it is very difficult for all partners involved to collectively plan, prioritise and monitor regeneration activity and outcomes. We endeavoured to “map” the various sources of funding available in our inquiry report; however this proved impossible to do.44

109. We noted that the Fairer Scotland Fund (FSF), announced in January 2008, was worth £145 million per annum over 2008-11. It merged seven previous

funding streams.\textsuperscript{45} The purpose of the fund was to enable local authorities and Community Planning Partnerships (CPPs) to tackle area-based disadvantage; individual poverty; and help more people to access and sustain employment opportunities. From 2010-11 the ring-fence on the fund was removed and it was “rolled-up” into the local government settlement.\textsuperscript{46}

\textit{The National Planning Framework and spending on planning}

10. As part of our scrutiny of the third draft National Planning Framework (“NPF3”) we sought views on the levels of resources and funding available to support the planning system in Scotland.

11. The evidence we received on funding and resourcing referred to two separate elements of the planning system. Firstly the lack of costing information in the draft NPF3, as well as budgetary costing for the 14 national developments set out in it. Secondly, the level of resources available to operate and support the planning system.

112. As part of our mainstreaming of budget scrutiny we will utilise the forthcoming review by Heads of Planning Scotland to examine how the planning system can provide meaningful data on the staff resource and skill levels within planning departments across local government.

\textit{The Defective and Dangerous Buildings (Recovery of Expenses) (Scotland) Bill}

113. During Stage 1 consideration of the Dangerous Buildings (Recovery of Expenses) (Scotland) Bill, we considered the evidence you took on the Financial Memorandum. Many of the issues raised by your report had been highlighted during our oral evidence taking on the Bill.\textsuperscript{47}

114. On the general question of the costs in the Memorandum, respondents to your call for evidence were broadly content on the administrative costs which would apply.

115. Given the broad acceptance around the cost neutrality of the Bill, no further substantial consideration of the costs of the legislation, or the Financial Memorandum took place.

\textit{The Disabled Persons' Parking Badges (Scotland) Bill}

116. During our Stage 1 consideration of the Disabled Persons' Parking Badges (Scotland) Bill, we considered the evidence you took on the Financial Memorandum.\textsuperscript{48}

\textsuperscript{45} The Community Regeneration Fund; Working for Families; Changing Children’s Services Fund (“social inclusion” element); Community Voices Fund; Financial Inclusion Fund; Workforce Plus (including the New Futures Fund); and More Choices, More Chances.


\textsuperscript{47} Correspondence from Finance Committee Convener: http://www.scottish.parliament.uk/S4_LocalGovernmentandRegenerationCommittee/General%20Documents/Letter_from_Finance_Committee.pdf [Accessed 13 March 2014]

117. The key provision, identified by your report on the Financial Memorandum, was the Bill's requirement for each local authority to put into place a process to review a decision to refuse an application for a blue badge on eligibility grounds. You noted concerns had been raised that the Bill might lead to an increase in requests for such a review to take place.

118. Notwithstanding these concerns, the revised “best estimate” of review of the number of requests per annum has been assessed by the Member in Charge as 400.\textsuperscript{49} This remains lower than the “high-end estimate” of 600 reviews and is based on seven months’ worth of data from 28 local authorities covering a period from 1 September 2012 to 31 March 2013.

119. No further substantial consideration of the costs of the legislation, or the Financial Memorandum took place as part of the scrutiny of the Bill.

\textsuperscript{49} Dennis Robertson MSP. Written submission. 5 March 2014.
ANNEXE A: EXTRACT OF MINUTES

31st Meeting, 2014 (Session 4) Wednesday 26 November 2014

Draft Budget Scrutiny 2015-16: The Committee took evidence on the Scottish Government's Draft Budget 2015-16 from—

Councillor Kevin Keenan, Finance Spokesperson, and Vicki Bibby, Team Leader - Finance, COSLA;

Hugh Dunn, Head of Finance, Directorate of Corporate Governance, City of Edinburgh Council;

Lindsay Freeland, Chief Executive, South Lanarkshire Council;

Roddy Burns, Chief Executive, Moray Council;

John Swinney, Deputy First Minister of Scotland and the Cabinet Secretary for Finance, Constitution and Economy, Robin Haynes, Local Government Division, and Bill Stitt, Local Government Finance Division, Scottish Government.

Draft Budget Scrutiny 2015-16 (in private): The Committee considered the evidence received on the Scottish Government's Draft Budget 2015-16.

32nd Meeting, 2014 (Session 4), Wednesday 3 December 2014

Draft Budget Scrutiny 2015-16 (in private): The Committee considered its report on the Scottish Government Draft Budget 2015-16. Subject to amendments, the report was agreed to.
ANNEXE B: ORAL AND WRITTEN EVIDENCE

31st Meeting, 2014 (Session 4) Wednesday 26 November 2014

Oral Evidence

Councillor Kevin Keenan, Vicki Bibby, COSLA;
Hugh Dunn, City of Edinburgh Council;
Lindsay Freeland, South Lanarkshire Council;
Roddy Burns, Moray Council;
John Swinney, Deputy First Minister of Scotland and the Cabinet Secretary for Finance, Constitution and Economy, Robin Haynes, and Bill Stitt, Scottish Government.

Written evidence

City of Edinburgh Council
Moray Council
South Lanarkshire Council

OTHER EVIDENCE

16th Meeting, (Session 4) Wednesday 28 May 2014

Committee’s scrutiny of impact of UK welfare reform on Scottish local government

Oral evidence

Sue Bruce, City of Edinburgh Council;
Elma Murray, North Ayrshire Council;
Dawson Lamont, Highland Council;
Sandra Black, Renfrewshire Council;
Keith Dryburgh, Citizens Advice Scotland;
Bill Gray, Community Food and Health Scotland;
Rosemary Brotchie, Shelter Scotland;
John Dickie, Child Poverty Action Group;
Dermot O’Neill, Scottish League of Credit Unions;
Francis Stuart, Oxfam Scotland.

Written evidence

Aberdeenshire Council (999KB pdf)
Argyll and Bute Council (257KB pdf)
City of Edinburgh Council (809KB pdf)
Clackmannanshire Council (191KB pdf)
Dumfries and Galloway Council (190KB pdf)
Dundee City Council (237KB pdf)
East Dunbartonshire Council (209KB pdf)
East Lothian Council (364KB pdf)
Falkirk Council (372KB pdf)
Glasgow City Council (275KB pdf)
Highland Council (295KB pdf)
Highland Council - App 1 (154KB pdf)
Highland Council - App 2 (132KB pdf)
Highland Council - App 3 (117KB pdf)
Moray Council (494KB pdf)
North Ayrshire Council (296KB pdf)
North Ayrshire Council - App 1 (330KB pdf)
Orkney Islands Council (194KB pdf)
Renfrewshire Council (531KB pdf)
South Ayrshire Council (212KB pdf)
South Lanarkshire Council (312KB pdf)
Stirling Council (199KB pdf)
West Lothian Council (695KB pdf)

Supplementary Information

North Ayrshire Council (443KB pdf)
Renfrewshire Council (146KB pdf)