

**Item: 20**

**Policy and Resources Committee: 17 June 2025.**

**Performance Monitoring – Local Government Benchmarking Framework.**

**Report by Director of Education, Communities and Housing.**

---

## **1. Overview**

- 1.1. The Council has been reporting performance information in accordance with the requirements of the Local Government Benchmarking Framework (LGBF) since 2011, which is a statutory function of Scottish local government.
- 1.2. The Improvement Service – the national improvement service for local government in Scotland – co-ordinates and facilitates the LGBF process. The Council reports some indicators directly to the Improvement Service. The data for other indicators is gathered by the Improvement Service from various sources to which all councils make annual returns.
- 1.3. LGBF data is published annually by the Improvement Service in its National Benchmarking Overview Report. The 2023-24 report was published in March 2025 and is attached as Annex 1 to this report.
- 1.4. The Accounts Commission’s 2024 Direction on Statutory Performance Information makes specific reference to the LGBF in requiring councils to develop their use of benchmarking information when reporting to the public.
- 1.5. In terms of the Strategic Planning and Performance Management Framework, performance in respect of the Local Government Benchmarking Framework is reported to the Policy and Resources Committee annually in June.
- 1.6. Annex 2 sets out the Council’s performance against the LGBF indicators for 2023-24 which have been included in the Council Plan 2023 to 2028.
- 1.7. Annex 3 sets out the Council’s performance against all other indicators included in the LGBF. This includes the data for 2023-24 compared to the previous reporting period.

## **2. Recommendations**

2.1. It is recommended that members of the Committee:

- i. Note the Local Government Benchmarking Framework's National Benchmarking Overview Report for 2023/24, attached as Annex 1 to this report, which sets out all councils' performance at a national level.
- ii. Note the Council's performance against Local Government Benchmarking Framework indicators, as set out in Annexes 2 and 3 to this report.

## **3. Performance**

3.1. The Council's performance is benchmarked by comparing with previous years' performance, the Scottish average, and other councils in Orkney's benchmarking family groups.

3.2. For Children's Services, Adult Social Care Services and Housing indicators, similar councils are grouped by their level of deprivation. For these indicators Orkney's family group includes:

- East Renfrewshire.
- East Dunbartonshire.
- Aberdeenshire.
- City of Edinburgh.
- Perth and Kinross.
- Aberdeen City.
- Shetland.

3.3. For Environmental, Culture and Leisure, Economic Development, Corporate and Property indicators, similar councils are grouped by their population density. For these indicators Orkney's family group includes:

- Western Isles.
- Argyll and Bute.
- Shetland.
- Highland.
- Scottish Borders.
- Dumfries and Galloway.
- Aberdeenshire.

- 3.4. The monitoring period for some indicators differ. For example, most are for 2022 to 2023, but some may be for 2018 to 2023, or 2019 to 2023. This is because these are national figures, and they are generated by different organisations for different purposes. The report uses the most up to date information available.
- 3.5. Where councils have presented updated values for previous years, the data has been refreshed to reflect this. This may mean historical data presented in the 2023-24 framework differs slightly from data presented in previous years.
- 3.6. It should be noted the Improvement Service recognises that expenditure and performance are driven by local strategic priorities. Therefore, there is no specified 'ranking order' within the LGBF, and no ranks are included within the annual National Overview Report or within the corresponding online publication. The Improvement Service stresses that the ranking order used in the LGBF data set is optional and has been proposed by Local Government as being the order which is of most use to them for each of the measures.

## **4. Future Data Release and Availability**

- 4.1. 2023/24 data for the following measures are not currently available and will be updated in the 2024/25 LGBF framework:
- i. CHN24 – Percentage of children living in poverty (after housing costs).
  - ii. CLIM1 – CO2 emissions area-wide per capita.
  - iii. CLIM2 - CO2 emissions within scope of Local Authority per capita.
  - iv. CHN9 – Balance of Care for Looked After Children.
  - v. CHN19b - School Attendance Rate for Looked After Children.
  - vi. HSN5 - % of council dwellings that are energy efficient.

## **5. National Overview Report – Key Messages**

- 5.1. The National Overview Report sets out a number of key points about the common challenges local government faces across Scotland.
- 5.2. Financial Pressures: Councils faced a real-terms funding cut of 1.8% in 2023/24, with core services underfunded and over 20% of funding ringfenced. A £6.5bn shortfall exists to meet demographic and inflationary pressures.
- 5.3. Workforce Capacity: Staff absence across Local Government is at record high levels, and there are widespread recruitment and retention challenges, particularly in the social care and education sectors.

- 5.4. Adult Social Care: Increase in demand has outpaced the available funding and the estimated funding shortfall nationally is £4.1bn. Factors including workforce challenges, rising costs and demographic pressures are contributing to the situation.
- 5.5. Financial hardship: Over 21% of people in Scotland live in relative poverty. Demand for additional financial support from councils remains high, with many councils overspending against crisis and discretionary payment budgets.
- 5.6. Performance: Most performance indicators show long-term improvement but in recent years there are more indicators which show a decline in performance, as opposed to an improvement in performance. Non-statutory services in particular have the most notable declines in performance.
- 5.7. Public satisfaction: Satisfaction with most council services has declined, particularly in street cleaning, leisure, and libraries, reflecting reduced service levels and rising public expectations. In the local context, public satisfaction with services in Orkney remains above the national average.
- 5.8. Sector improvement: Transformation through peer-collaborative improvement, digital innovation and workforce planning is evident but further work is required, and the report emphasises the importance of supporting this work and of more meaningful reform in the public sector.

**For Further Information please contact:**

William Moore, Service Manager (Improvement and Performance) ext 2104, e-mail: [william.moore@orkney.gov.uk](mailto:william.moore@orkney.gov.uk).

**Implications of Report**

- 1. **Financial:** All 32 Scottish Councils pay an annual rate to the Improvement Service for participation in the LGBF. For this, the Improvement Service provides councils with data services and co-ordination of family group activity. The fee paid by Orkney Islands Council for 2024-25 was £3,783.
- 2. **Legal:** Further to powers contained in section 1(1)(a) of the Local Government Act 1992 as amended, the Council is directed by the Accounts Commission to report on its performance against indicators contained within the Local Government Benchmarking Framework.
- 3. **Corporate Governance:** Not applicable.
- 4. **Human Resources:** Not applicable.
- 5. **Equalities:** Not applicable.
- 6. **Island Communities Impact:** Not applicable.

- 7. Links to Council Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:
- ☒ Growing our Economy.
  - ☒ Strengthening our Communities.
  - ☒ Developing our Infrastructure.
  - ☒ Transforming our Council.
- 8. Links to Local Outcomes Improvement Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:
- ☐ Cost of Living.
  - ☒ Sustainable Development.
  - ☒ Local Equality.
  - ☐ Improving Population Health.
- 9. Environmental and Climate Risk:** Not applicable.
- 10. Risk:** Not applicable.
- 11. Procurement:** Not applicable.
- 12. Health and Safety:** Not applicable.
- 13. Property and Assets:** Not applicable.
- 14. Information Technology:** Not applicable.
- 15. Cost of Living:** Not applicable.

### **List of Background Papers**

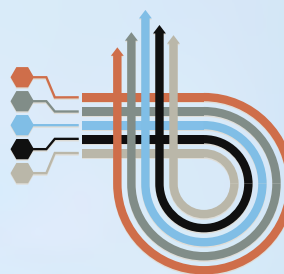
None.

### **Annexes**

Annex 1 – LGBF National Benchmarking Overview Report.

Annex 2 – LGBF 2023/24 – Council Plan Indicators.

Annex 3 – LGBF 2023/24 – Other Indicators.



# National Benchmarking Overview Report 2023-24

# Contents

Preface	3
Key Messages	6
About this report	13
Introduction	16
1. Financial Pressures	19
2. Workforce Challenges	29
3. Health and Social Care Pressures	36
4. Education for Children and Young People	47
5. Tackling Poverty and Financial Hardship	56
6. Performance of Local Government Services	67
Conclusion	73
Appendix: Overview Table for all LGBF Data 2023-24	77

# Preface

This is the thirteenth annual report for the Scottish Local Government Benchmarking Framework (LGBF). The LGBF represents a joint commitment by Solace (Scotland) and COSLA to develop better measurement and comparable data to target resources and drive improvement through benchmarking. Over the past 13 years, this sector-led improvement approach has successfully supported all 32 Scottish councils to work and learn together. As this approach has matured, it has continued to gain traction, as councils move towards a more strategic and diagnostic use of the data.

This report reveals the extraordinary effort and achievements delivered across local government against unprecedented financial, workforce and demand pressures. There is evidence that performance and efficiency improvements gained in previous years are now slowing down. This provides a stark warning for the future resilience of essential council services. There is a risk that the improvements and progress that have been achieved over the longer term, could be lost.

While performance improvements have slowed for all councils, there is local variation in the depth, severity and focus of impacts. Communities are affected by current challenges in different ways and councils' responses demonstrate the importance of local solutions to local needs and issues. Local solutions are core to local democracy, reflecting the diverse needs, circumstances, and priorities of our communities. Each council has developed the structure and service arrangements it believes are the most appropriate and cost-effective to support its own communities.

All councils report their performance to their communities within locally developed and agreed public reporting frameworks, which draw upon LGBF information. This information is available to all citizens and users of council services, so that they can hold councils to account for what is achieved on their behalf and scrutinise their performance to drive improvement. To help communities and councils draw meaningful comparisons from the LGBF data, authorities are arranged in 'family groups', enabling comparisons to be made between councils that are similar in terms of the type of population that they serve (e.g., relative deprivation and affluence) and the type of area in which they serve them (e.g., urban, semi-rural, rural). The point of comparing like with like is that it will most probably lead to useful learning and improvement.

The driving force behind this work is, and will always be, to improve the lives of people in communities across Scotland. We believe that effective public services contribute to both individual and community quality of life. With the sustainability of these services coming under increasing pressure, there has never been a




greater requirement for working with and learning from each other. The local government sector has therefore positioned the LGBF as a key cornerstone of its evolving approach to sector-led performance improvement, especially through peer collaborative improvement. The robust evidence base provided by the LGBF will continue to be critical in informing and shaping councils' efforts to improve and transform services for the benefit of the people they serve.



**Des Murray**

Chair of Solace (Scotland)



**Councillor Shona Morrison**

Chair, Improvement Service  
COSLA President



## Key Messages

While evidence within this year's LGBF report reveals the extraordinary effort and achievements delivered across local government against an increasingly challenging backdrop, it also shows how sustained financial, demand and workforce pressures have substantially disrupted performance and efficiency improvements gained in previous years. Councils are having to make increasingly difficult decisions about how they deliver services and what services may have to stop or reduce if they are to deliver balanced budgets as required by statute. In its latest review of council finances, the Accounts Commission has also highlighted these intensifying challenges and the real risks for the future they present.

### Funding pressures

In real terms, total Scottish Government revenue funding for councils has decreased by 1.8% in 2023/24. Local government has suffered from a decade of underfunding for core and existing services, with funding levels not keeping pace with increased demand, growing need and rising cost pressures. While the Scottish Government budget has increased by 45% since 2013/14, the local government budget has remained relatively static. Funding of local government has not kept pace with other parts of the Scottish budget for many years. While the budget for Health has grown by 20% since 2013/14, the budget for local government has fallen by 0.9% in real terms in that period. Where there have been uplifts in Scottish Government funding for local government in the last decade, almost all of this has been to fund new services and new policy priorities which have brought with them new demands which councils have had to meet. Local government has been charged to do more on Scottish Government's behalf, with less discretion to do what is important locally, and consequently core services are now significantly underfunded. The Accounts Commission report that at least a fifth of funding provided in 2023/24 is ringfenced or provided with expectation it will be spent on specific services.

### Growing demand

Ageing populations, along with rising costs for every day essentials are leading to increased demand for local government services, particularly in statutory services like social care and housing. While the overall population has grown by 3% in the past 10 years, the 65+ population has grown by 18% and the 75+ population has grown by 21%. An ageing population means more people in our communities with multiple and increasingly complex needs relying on essential council services.

The cost-of-living crisis has further increased demand for council services particularly by the most vulnerable in society. Communities are experiencing

increasing poverty and financial hardship, at a time when councils have reducing capacity to support them. The LGBF provides evidence of the continuing levels of financial hardship being experienced within local communities. This includes sustained demand for financial support via the Scottish Welfare Fund and Discretionary Housing Payments, and the increasing levels of household debt being recorded. Deepening fiscal, workforce and demand pressures pose real risks to the future sustainability of vital services provided by councils, including those that are essential in preventing and mitigating the effects of poverty.

Further demand pressures are evident in the increasing rates of social, emotional and behavioural difficulties in children and young people recorded in recent years. There has been a 41% growth in the number of pupils in need of additional support for learning since 2017-18. Figures show that currently 43% of all pupils within mainstream secondary education have identified additional support needs. This is an area of increasing priority for the local government sector with councils working more closely than ever with partners to ensure children have access to the support they require to help them achieve their potential. There are growing concerns about the financial pressures arising from the record numbers of pupils identified with additional support needs and the capacity both within the education sector, and within the adult service sector, to respond effectively, as young people migrate into adult services. A development priority will be to strengthen the focus within the LGBF recognising the growing importance of this area.

## Workforce pressures

Councils continue to face multi-faceted workforce capacity pressures including an ageing workforce, increased service demand, skills gaps, and recruitment and retention difficulties which are impacting on overall organisational capacity and resilience. At a time when demands on councils are increasing across many services, additional workforce capacity issues have compounded and increased the scale of challenges which now need to be addressed to ensure the longer-term sustainability of local government. Against this context, it is perhaps unsurprising that LGBF data continues to record increases in staff absence across the sector, particularly for reasons of stress, mental health and fatigue. In 2023/24, council staff absence levels reached the highest level ever reported. These rates of overall absence combined with high levels of vacancies in some roles will be impacting on councils' capacity to deliver essential local services. This complex picture requires concerted and coordinated action across all aspects of local government and [Scotland's Local Government Workforce Report 2024](#) sets out the actions that can be put in place to tackle these issues.



## Adult social care sector

A perfect storm of these combined pressures can be seen in the adult social care sector. Councils and their partners face significantly growing social care demands largely due to supporting the increasingly complex needs of people with disabilities and an ageing population. Since 2010/11, the over 65 population has grown by over 26%. At the same time the deepening crisis in workforce recruitment and retention is intensifying pressure. While adult social care is an area of expenditure growth, this is not keeping pace with demographic demands, and financial pressures from rising inflation, pay uplifts and Covid-19 legacy costs are making it difficult to sustain services at their current level.

With an estimated £4.1 billion shortfall in social care expenditure, cuts to services have been required. Being able to meet statutory service delivery let alone improving outcomes and meeting public expectations is becoming increasingly challenging across the social care sector. Instead of driving the desired shift to early intervention advocated for by the Christie Commission, a greater resource has become targeted on a smaller number of people with higher needs. While shifting the balance of care out of hospital remains a challenge, much has been done to date to relocate the support people require into their own homes and communities, in the context of growing demand. This includes successful large scale closure programmes of long stay hospital care for older adults and people with physical and learning disabilities, shifting of rehabilitation services into community and home-based settings, and the expansion of provision of primary and community care led services supported by Health and Social Care Partnerships into communities, and into people's own homes, and out of hospital settings. A sustained and real commitment to the "whole system" of population health is required, including investment in the vital preventative and early intervention services councils provide which are critical to addressing the social determinants of health.

## Local government financial sustainability and spending decisions

There is now significantly limited capacity for councils to manage and mitigate ongoing financial pressures, with financial resilience tested as a result of funding constraints and ring-fencing. The scale of change and savings made over a period of austerity, lasting over 10 years within local government services, cannot be repeated, even in the short term.

Councils' financial plans and spending patterns reveal a system under pressure and highlight the difficult decisions that are being required to deliver balanced budgets. To bridge the growing budget gap, councils are relying increasingly on recurring savings, increases to Council Tax, and the use of reserves. While the reserves position remains high at 23.9% of annual budgeted revenue, less of

those reserves are now regarded as uncommitted than at any point in the last 10 years. Budget performance trends also indicate a system under pressure, with actual outturn in 2023/24 at 99.6% of budgeted expenditure, which is the highest level since reporting began. In 2023/24, the proportion of expenditure being used to service debt increased for the first time in 10 years, rising from 5.4% to 5.8%, at a time when local government borrowing has increased by 31%

To support councils as they develop financial plans which enable them to become more financially sustainable within this difficult financial context, the LGBF Board will work closely with local government Directors of Finance to strengthen the suite of LGBF Financial Sustainability measures, and in particular deepen understanding around the use of reserves and the extent to which planned savings are being delivered.

Local government revenue expenditure has increased in real terms by 2% in 2023/24, and by 7.7% since 2013/14. This expenditure growth has been insufficient to keep pace with demographic trends. In 2023/24 alone there is a £6.5 billion shortfall in terms of the level of spend required just to keep up with demographic change and inflationary pressures. This illustrates the difficult decisions that are having to be taken to manage the budget, and the trends observed across protected and unprotected service areas.

Expenditure within social care, education, and support for care experienced children continues to be sustained and enhanced, growing since 2010/11 by 29%, 19% and 18% respectively. Meanwhile, increased and disproportionate savings are targeted on those areas which are not protected by Scottish Government policies to provide balance to statutory and ringfenced commitments elsewhere. The scale of the budget reductions in the past decade raises concerns on future sustainability and local authorities' capacity to support prevention and early intervention approaches to tackling poverty, improving health and wellbeing, and supporting our transition to Net Zero. Since 2010/11, budget reductions have included:

- 26% reduction in culture and leisure spending
- 13% reduction in roads spending
- 25% reduction in planning spending
- 30% reduction in tourism spending
- 23% reduction in corporate support services spending
- 30% reduction in trading standards and environmental health spending
- 39% reduction in street cleaning spending
- 11% reduction in waste service spending.

While long-term spending patterns are clear, more recent data from 2020/21 onwards reflects the active prioritisation of services that councils were required to make to support their Covid response and recovery. While education and social care continued to grow in line with national policy commitments, other areas such as culture and leisure services, environmental services and roads saw fluctuation in their long-term spending trend.

## Overall local government performance

In light of these sustained pressures, the evidence from the LGBF that local government performance improvement has slowed in recent years is to be expected. In terms of overall council service performance, the long-term picture remains positive, with 68% of performance indicators within the LGBF showing improvement since the base year. In recent years, however, year on year trends show a slowing in this improvement, and an increase in the number of performance indicators which are now declining. In the last two years, the rate of decline has overtaken the rate of improvement (45% compared to 39% respectively). It is apparent that given the deepening fiscal, workforce and demand pressures facing the sector, councils are having to make increasingly difficult decisions about the shape and level of service delivery, and these are beginning to have a clear impact on service performance. While the recent slow-down in performance improvement is system wide, and true for all councils regardless of local priorities and the policies they are pursuing, there is variation in the depth, severity and focus of impacts.

The data on council service performance provides a stark warning on the future resilience of essential council services. If the current trend continues, the improvements and progress that has been achieved thus far, could potentially be lost and council service performance may start to decline over the longer-term. It is important to note that councils' responses demonstrate the importance of local solutions to local needs and issues, varying both between and within authorities.

While the overall picture points to a slow-down in performance improvement, there are long-term improvement trends which have been sustained and strengthened in policy critical areas. For example, there has been strong progress in improving outcomes for children and young people, with the LGBF providing evidence of the difference that has been made in areas such as attainment in the Curriculum for Excellence and across the senior phase, and in terms of leaver destinations. In each of these areas, a long-term improving trend can be observed, including progress to narrow the poverty related attainment gap.

## Sector led improvement

Local government, as a sector, is taking clear pro-active steps to mitigate the effects of these challenges. To ensure the ongoing sustainability of services, local

government has committed to a significant programme of sector led performance improvement and transformation. Important elements of local government's sector led performance improvement and transformation include the [Scottish Local Government Assurance and Improvement Framework](#); [Peer Collaborative Improvement](#); and the [Local Government Transformation Programme](#). While councils are clear on the urgent need for transformational change, they are mindful of the challenges faced in achieving this whilst also delivering vital services. The Accounts Commission has emphasised that this burden of transformational change should not fall on local authorities alone given the need for wider public service reform.





## About this report

1. This report provides a high-level analysis of the performance of councils both during 2023/24 and over the longer-term. It also sets out the challenges facing councils in the context of current funding and workforce pressures, growing demand and ongoing impacts from the Covid pandemic and cost-of-living crisis.
2. Our primary source of information for this report is the LGBF dataset, which provides longitudinal data on how councils allocate resources, the performance of key council services and levels of public satisfaction with the major services provided and commissioned by councils. The rich data supports evidence-based comparisons between similar councils (family groups) and over time, providing an essential tool for policy makers and the public. The full detail of the LGBF data is available in the [LGBF Dashboard](#) which provides access to data and analysis at an indicator level, service level, family group level and council level, along with narrative to support meaningful interpretation. An overview of the trends across all LGBF indicators is presented in Annex 1.
3. The LGBF provides high-level ‘can openers’ which are designed to focus questions locally on why variations in cost and performance are occurring between similar councils to identify opportunities for learning. It does not offer a crude “league table” assessment. Local context and local decision making are essential in making sense of and making best use of the LGBF. ‘[Good practice principles](#)’ set out how the LGBF is used locally to support strategic and budget planning, improvement, scrutiny and public performance reporting. Further information, briefing notes and case studies are available in the ‘[How Councils Are using the LGBF](#)’ publication, and on the [LGBF website](#).
4. The benchmarking data in this report should not be considered in isolation. An [online interactive tool](#) links the LGBF with outcomes data presented in the [Community Planning Outcomes Profile](#) (a resource which provides trend data on outcomes, both at a local authority level, and at a locality level). The LGBF indicators have also been mapped to the National Performance Framework outcomes and public health priorities to support councils to demonstrate the important role they play in driving progress in these key areas.
5. We refer to ‘real-terms’ changes in this report. This means that we are showing financial information from past and future years at 2023/24 prices, adjusted for inflation so that they are comparable. To make that comparison we use gross domestic product (GDP) deflators to adjust for inflation, which are published quarterly by HM Treasury. GDP deflators are the standard approach adopted by both the UK and Scottish governments when analysing



public expenditure. The deflator used is the broadest measure of inflation in the domestic economy and captures all goods and services that contribute to GDP and has a wider scope than just the consumer indices (RPI/CPI). It includes wage rises, costs of materials, energy costs, and interest rates for example. It means it should capture costs associated with demographic changes but only to some extent. While population growth will contribute to inflation in terms of generating demand, the population change is increasing demand for expensive services in a way that is not fully reflected in inflation measures.

As a result of the way that GDP is calculated, Covid-19 resulted in volatility across 2020/21 and 2021/22. To compensate for this, and to provide meaningful comparisons between years, we have used an average GDP growth rate across 2020/21 and 2021/22 in our calculations to separate inflation (changes in prices) from changes in outputs and those largely attributable to Covid-19 spending. As 2023/24 is the base year for this methodology, cash and real figures will match for this year.

6. The Covid pandemic has had significant impacts on some of the data timeseries within the LGBF. For several important areas, there were changes in assessment, survey or inspection methodologies during Covid. This includes senior phase attainment, satisfaction with council services (Scottish Household Survey data), and quality ratings for early years and adult social care. Caution is required in these areas when drawing conclusions and making comparisons over time.
7. There remain timeousness challenges in relation to key datasets utilised within the LGBF. There are a number of key policy areas in relation to children and young people for which 2023/24 data is not available at the time of publication of this report, and therefore analysis is not included. This includes care experienced children, child development, exclusion rates, and child poverty rates. This data will be published on the LGBF Dashboard as soon as it is available.







# Introduction

This year's report introduces data from 2023/24, a period when households across Scotland continued to experience significant pressures on their finances due to inflation. At the same time, local government services were under substantial strain, with the scale of financial, demand and workforce pressures increasing to unprecedented levels in recent years. Although evidence within the LGBF reveals the extraordinary effort and achievements delivered across local government against this increasingly challenging backdrop, it also shows how these sustained pressures have substantially disrupted performance and efficiency improvements gained in previous years.

The evidence in this year's LGBF highlights that councils are having to make increasingly difficult decisions about how they deliver services and what services may have to stop or reduce if they are to deliver balance budgets as required by statute. Current levels of funding for local government are not sufficient to address increased demand for services, increased operational costs due to inflation, or increases to support pay awards.

The LGBF data in this report presents a stark warning that councils are in a precarious financial position and reinforces growing concerns over the sustainability of local government and the need for urgent change. The increasingly challenging financial position facing councils has been reinforced by a wide range of organisations including the Accounts Commission, Local Government Information Unit (LGIU), The National Audit Office (NAO), COSLA, and Reform Scotland, to name a few, who submitted evidence to the [Local Government, Housing and Planning Committee](#) in relation to their 2024 inquiry on pre-budget scrutiny and focus on the sustainability of local government finances.

There is consensus that these challenges facing councils are unlikely to reduce in the coming years. However, the sector remains optimistic about the role that local government, if sufficiently funded and empowered, could have in advancing the prevention agenda, tackling local and national shared priorities, delivering services and empowering communities. However, this requires wider public service reform as recommended by Christie and it is clear that local government cannot be expected to make changes of the magnitude required on its own.

The focal points in this report are:

1. Financial pressures
2. Workforce challenges
3. Health and social care pressures

4. Education for children and young people
5. Tackling poverty and financial hardship
6. Performance of local government services



# 1. Financial Pressures

Council finances are under immense stress. There is now significantly limited capacity for councils to manage and mitigate ongoing financial pressures with financial resilience tested as a result of funding constraints and ring-fencing. The scale of change and savings made over a period of austerity, lasting over 10 years within local government services, cannot be repeated, even in the short term. Questions about the need for a major policy shift in how councils are funded and what they are required to do need to be answered. Working closely with communities to communicate the impact on local services and to shape local priorities is more important than ever.

Local government has suffered from a decade of underfunding for core and existing services, with funding levels not keeping pace with increased demand, growing need and rising cost pressures. Even where additional funding has been provided for new responsibilities such as Continuing Care, that funding often hasn't kept pace with increased costs and demand, leaving councils to fund the gap. The financial challenges have coincided with new burdens and additional policy commitments, with the funding for these being ring fenced and fixed allocations eroded by inflation. To remain within budget, councils are increasingly having to rely on the use of savings and reserves. They are also making progressively more difficult decisions about future service delivery and the level of service they can afford, with non-statutory services being significantly reduced, and some stopping all together.

This sustained fiscal pressure has occurred within a context of huge economic uncertainty driven by Middle East conflicts, the war in Ukraine, Brexit, Covid-19, and economic shocks arising from political instability and changing economic policy. The combined effect of these events and subsequent inflationary, cost and wage pressures has been significant, creating new demands on council services to respond to growing inequality and financial hardship within our communities.

Councils are also managing an increasing programme of national reform, including education reform and commitments in meeting national climate change goals. These come at a substantial cost with clarity about funding unclear, driving increased uncertainty.

## Scottish Government Funding for Councils

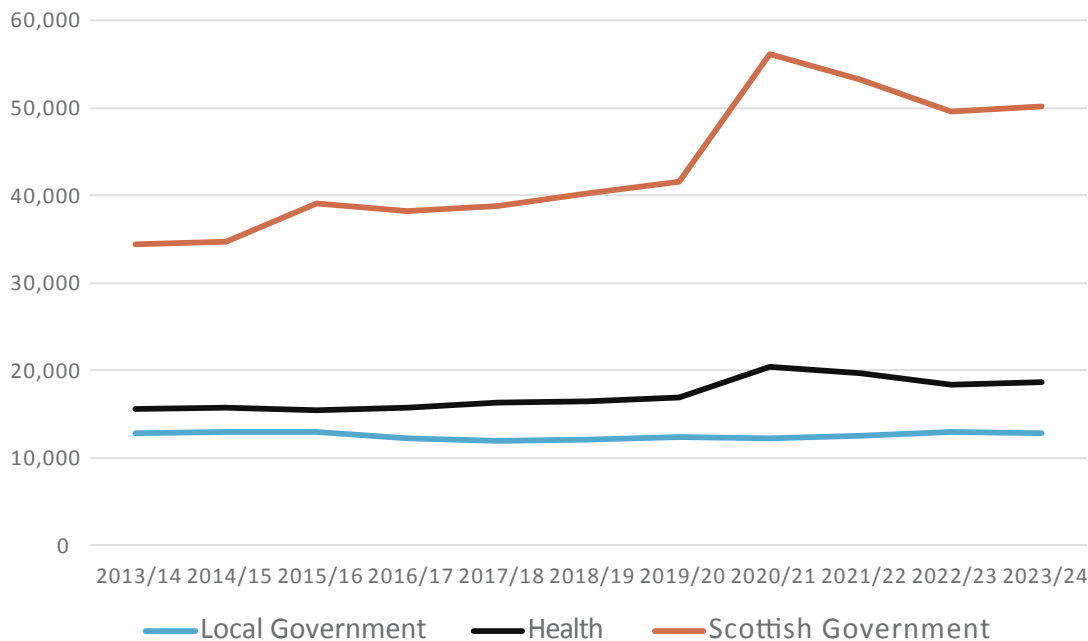
Funding of local government has not kept pace with other parts of the Scottish budget for many years. While the Scottish Government budget has increased by 45% since 2013/14 (reflecting in part the devolution of social security powers), the local government budget has remained relatively static.<sup>1</sup> The graph below shows

<sup>1</sup> [Scotland's Budget Documents: The 2023-24 Spring Budget Revision](#)



that while the budget for Health has grown by 20% since 2013/14, the budget for local government has fallen by 0.9% in real terms in that period.

**Figure 1: Change over time in Scottish Government, Health and Local Government Revenue Budgets**



*Source: Scottish Government budget documents (spring revision) for 2014/15 to 2023/24 and actual figures for 2013/14 (from local government finance circular) as budget documents were not available*

Where there have been uplifts in Scottish Government funding for local government in the last decade, almost all of this has been to fund new services and new policy priorities which have brought with them new demands which councils have had to meet. Funding to meet these demands has eroded over time which has manifested as cost pressures within councils. The roll out of universal free school meals, the expansion of early learning and childcare, and the significant increase in funding for adult social care are some of the examples of where extra funding has been provided but has been ring-fenced to meet the additional costs. Scottish Government funding for existing core council services has not been uplifted for inflation and other cost pressures and has therefore fallen substantially in real terms. Furthermore, and where inflationary uplifts are not included in ongoing ringfenced allocations, there is a risk that the cost of delivering these obligations exceeds allocations which may be based on historic demand and cost estimates. This too represents a further reduction to core council budgets. Local government has been charged to do more on Scottish Government's behalf, with less discretion to do what is important locally, and consequently core services are now significantly underfunded.

In real terms, total Scottish Government revenue funding for councils has decreased by 1.8% in 2023/24, and by 0.9% since 2013/14. As highlighted, within

this funding, a significant proportion is ringfenced or provided with expectation it will be spent on specific services. In their [Local Government Financial Bulletin](#), the Accounts Commission calculates that the funding which is ringfenced or directed is 21%, which is down from 25.7% in 2022/23. It is worth noting that CIPFA Directors of Finance suggest that the actual proportion of 'ringfencing' or 'directed funding' is higher when factoring in the national commitment to maintain teacher numbers and other costs related to Health and Social Care Partnerships and policies such as universal Free School Meal provision for P1-P5.

Capital funding from the Scottish Government has fallen by 1.2% in 2023/24, and by 21% in the past 5 years.

## Local Government Expenditure and Financial Sustainability

Councils' financial plans and spending patterns reveal a system under pressure and highlight the difficult decisions that are being required to deliver balanced budgets and demonstrate good financial management and sustainability.

Local government revenue expenditure has increased in real terms by 2% in 2023/24, and by 7.7% since 2013/14. Expenditure growth has accelerated since 2019/20, reflecting the provision of Covid funding, additional ringfenced or specific grant funding to deliver new national policy commitments, the impact of inflation and increased demand for some services. As we shall see in later sections, this growth in expenditure has been insufficient to keep pace with demographic trends.

The Accounts Commission calculates that the financial gap for councils, where anticipated income is less than planned expenditure, has increased by over a third in 2023/24, from £476 million to £789 million (note: sample of 29 councils differs from 2022/23 sample). In addition to relying on recurring savings to bridge the budget gap in 2023/24, Council Tax has been increased by 5.4% on average, and councils have bridged over a quarter of their budget gap using reserves (£202 million).<sup>2</sup>

Councils report a slightly declining reserves position in 2023/24, with levels falling by 0.6pp to 23.9% of annual budgeted revenue. Levels, however, remain significantly higher than pre-pandemic, where the position was around 17%. A more concerning trend is that less of those reserves are now regarded as uncommitted than at any point in the last 10 years. In 2023/24, the uncommitted general fund balance fell to 2.3% of annual budgeted net revenue, the lowest level since reporting began. That most reserves are already committed for specific purposes highlights the clear plans councils have in place for how they

<sup>2</sup> <https://audit.scot/publications/local-government-in-scotland-financial-bulletin-202324>

intend to use their reserves to help balance future budgets, to meet severance costs and to fund investment in transformation.

Budget performance trends also indicate a system under pressure with close to 100% spend compared to budget. While there will always be transient or one-off issues and savings during each financial year which can mask budget and actual trends, being so close to 100% in the most recent year is indicative of a system under great strain. In recent years, it is likely that unbudgeted income from Covid grants, and the use of other fiscal flexibilities has created a more positive picture of how councils are coping with overall pressures on budgets. We see in the most recent data that it is not possible to sustain this position. In 2023/24, actual outturn was 99.6% of budgeted expenditure, which is the highest level since reporting began.

In 2023/24, capital expenditure by councils was £3.5 billion which is comparable in cash terms to 2022/23. To fund this, local government borrowing has increased by 31% in 2023/24 and was used to finance 49% of total capital expenditure.<sup>3</sup> While the higher costs associated with borrowing will place further pressure on revenue budgets over the longer term, in recent years lower interest rates and the use of fiscal flexibilities to ensure debt charges remain prudent and affordable have enabled councils to manage this borrowing through their Treasury Management and Capital Strategies. Subsequently, in recent years the cost of borrowing for councils had continued to reduce, with the proportion of council revenue expenditure being used to service debt falling from 8.4% to 5.4% between 2013/14 and 2022/23. However, in 2023/24, for the first time in 10 years, the proportion of expenditure being used to service debt increased, rising from 5.4% to 5.8%. While using flexibilities to deliver investment within communities whilst meeting immediate spending pressures may help councils to balance their budgets, they do not tackle the underlying challenges to financial sustainability. Rises in the rate of interest, and capital inflation, are creating material pressures on the cost of borrowing and capital budgets which has resulted in a number of councils reducing their capital programmes on the grounds of affordability, which will impact on key services.

<sup>3</sup> <https://audit.scot/publications/local-government-in-scotland-financial-bulletin-202324>

Table 1: Local Government Financial Sustainability

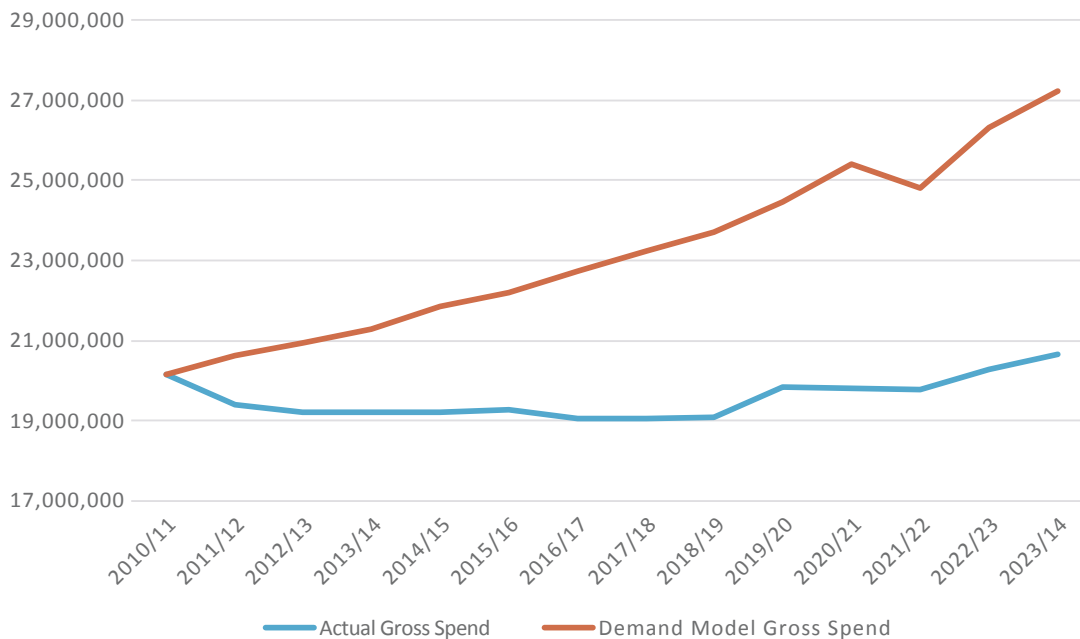
	2013-14	2019-20	2020-21	2021-22	2022-23	2023-24	Change since 2013-14	Change since pre-COVID	Change since 2022-23
Total Useable Reserves as a % of annual budgeted revenue	16.0%	17.0%	23.7%	24.4%	24.5%	23.9%	7.9pp	6.9pp	-0.6pp
Uncommitted Total General Fund Balance as a % of annual budgeted net revenue	3.7%	2.8%	3.1%	2.9%	2.9%	2.3%	-1.4pp	-0.5pp	-0.7pp
Ratio of Financing Costs to Net Revenue Stream - General Fund	8.4%	7.2%	6.2%	5.9%	5.4%	5.8%	-2.7pp	-1.4pp	0.4pp
Ratio of Financing Costs to Net Revenue Stream - Housing Revenue Account	25.9%	22.6%	22.9%	22.6%	21.8%	20.0%	-5.9pp	-2.6pp	-1.8pp
Actual outturn as a percentage of budgeted expenditure	99.1%	99.4%	97.4%	98.3%	98.4%	99.6%	0.5pp	0.3pp	1.2pp

To support councils as they continue to develop financial plans which enable them to become more financially sustainable within this difficult financial context, the LGBF Board will work closely with local government Directors of Finance to consider how to strengthen the suite of Financial Sustainability Measures included within the framework. This work will include a focus on strengthening our understanding around the use of reserves and the extent to which planned savings are being delivered and will be vitally important to ensure greater understanding of councils' overall position in relation to financial sustainability.

## Protected and Non-Protected Spend

In light of the sustained fiscal pressures and the requirement to make substantial savings, councils are facing increasingly difficult decisions in relation to their spending priorities. While local government expenditure has grown across the period in real terms, it is not keeping pace with demographic pressures. An annual increase of above 3% is needed to respond to accelerating demographic pressures. In 2023/24 alone, there is a £6.5 billion shortfall in terms of the level of spend required just to keep up with demographic change and inflationary pressures (see Figure 2). This illustrates the difficult decisions that are having to be taken to manage the budget, particularly in relation to the trends we are seeing across different service areas.

**Figure 2: Actual and required gross spend (based on modelled demographic demand)**



*Source: Local Government Finance Statistics and NRS Population projections*

The long-term trends show a clear shift of expenditure towards national priorities and those areas where Scottish Government have allocated additional monies for specific purposes. As such, expenditure within social care, education, and support for care experienced children continues to be sustained and enhanced, growing since 2010/11 by 29%, 19% and 18% respectively. As these areas account for over 70% of the benchmarked expenditure within the LGBF, councils are left with little flexibility but to target increased and disproportionate savings on those areas which are not protected by Scottish Government policies, to provide balance to statutory and ringfenced commitments elsewhere. Since 2010/11, in real terms, this has included:

- 26% reduction in culture and leisure spending
- 13% reduction in roads spending
- 25% reduction in planning spending
- 30% reduction in tourism spending
- 23% reduction in corporate support services spending
- 30% reduction in trading standards and environmental health spending
- 39% reduction in street cleaning spending
- 11% reduction in waste service spending.

Table 2: Real change in Council Revenue Expenditure since 2010/11 (£000s)

	2010-11	2019-20	2020-21	2021-22	2022-23	2023-24	Change since 2010-11	Change since pre-Covid	Change since 2022-23
Education	£5,575,300	£6,049,555	£6,357,894	£6,452,877	£6,655,523	£6,654,175	19.4%	10.0%	0.0%
Adult Social Care	£3,568,699	£4,113,403	£4,379,454	£4,344,116	£4,560,631	£4,587,844	28.6%	11.5%	0.6%
Looked After Children	£518,142	£621,687	£616,828	£608,310	£600,412	£623,260	20.3%	0.3%	3.8%
Culture & Leisure	£754,815	£533,153	£523,729	£537,138	£569,493	£555,704	-26.4%	4.2%	-2.4%
Environmental Services	£1,021,817	£843,002	£843,454	£827,466	£815,698	£836,151	-18.2%	-0.8%	2.5%
Roads	£850,436	£623,251	£585,540	£659,018	£728,380	£743,353	-12.6%	19.3%	2.1%
Planning	£172,231	£128,868	£125,913	£119,905	£125,438	£128,747	-25.2%	-0.1%	2.6%
Economic Development	£525,361	£410,647	£421,018	£512,241	£507,302	£483,817	-7.9%	17.8%	-4.6%
Central Support Services	£1,095,372	£788,280	£799,156	£803,326	£817,467	£839,272	-23.4%	6.5%	2.7%

*Note: Table 2 includes expenditure covered by the LGBF measures. While the LGBF measures reflect the significant areas of local government expenditure, there are some minor areas of spend excluded, which accounts for differences with Scottish Government published expenditure data. All trends represent gross expenditure.*

The scale of the budget reductions in the past decade raises concerns on future sustainability and local authorities' capacity to support prevention and early intervention approaches to tackling poverty, improving health and wellbeing, and supporting the transition to Net Zero.

While long-term spending patterns are clear, more recent data from 2020/21 onwards reflects the active prioritisation of services that councils were required to make to support their Covid response and recovery. While education and social care continued to grow in line with national policy commitments, other areas show fluctuation in their long-term spending trend.

Spending on social care and education has grown by 11.5% and 10.0% in real terms since pre-pandemic, however they have remained relatively static in 2023/24. For education, there has been a 1.2% reduction in primary education expenditure in 2023/24 which reflects demographic trends and the fall in the number of 5–12-year-olds. In the main however, education trends in recent years mirror political manifesto commitments for pupil equity and student attainment funding, and the expansion of early years entitlement. Staffing costs and the recent pay settlements are important factors in this trend, and the potential to make savings is impacted by the commitment to maintain teacher numbers. To manage increases in these relatively fixed costs, savings have been disproportionately targeted towards ancillary workers including support staff,

janitors, caterers, and cleaners. The demographic trends in relation to falling pupil numbers may be an important factor in future discussion in relation to teacher numbers, as set out recently by the [Institute for Fiscal Studies](#).

The growth in social care expenditure in recent years largely reflects additional funding provided by the Scottish Government to support the commitment to pay the Scottish Living Wage to care workers. The scale of the increases observed in social care expenditure have not kept pace with rising costs and demographic demands, meaning that although the budget has been relatively protected compared to other service areas, being able to meet statutory service delivery, let alone improve outcomes and meet expectations is becoming increasingly challenging. Published data on the financial performance of Integration Joint Boards by the [Accounts Commission](#) emphasises the challenges here, providing evidence of reducing reserves, widening funding gaps and growing financial sustainability risks. While 2023/24 data is not yet published, data from 2022/23 shows a 10% reduction in IJB reserves (excluding Covid-19 reserve movements) and a projected funding gap for 2023/24 which has almost tripled in comparison to the previous year.

While spending on support for care experienced children grew significantly prior to 2018/19, this has seen a levelling out in recent years in real terms. The recent trend is likely to reflect both the reduction in the number of children and young people formally 'looked after' by councils, along with efforts to reduce the use of more expensive external placements. It is possible that the continued impact of the pandemic on mental health and the societal impact of the cost-of-living crisis may create an increase in demand in future years and it will be important to closely monitor future data to understand the impacts of this.

Some nonprotected service areas have seen recent uplifts in their spend, after a long-term pattern of reducing budgets. This largely reflects the resumption in activity, which was deferred during Covid, including in relation to significant capital programmes. For example, culture and leisure, environmental services, roads, planning services and corporate support services have all seen an increase in expenditure in recent years.

Three things are important to note in relation to the above expenditure trends. Firstly, beneath the national figures and trends presented, there is significant local variability reflecting the priorities and approaches adopted by different councils to respond to local needs and issues. Secondly, the recent high inflation and impact of local government pay awards has had a significant impact on recent expenditure trends across all service areas. The increased spend does not reflect additional investment in services and will create significant additional pressure on the already limited capacity available for transforming and redesigning services. Thirdly, the significant scale of reductions which have already been made in nonprotected services mean it will not be possible to address the projected

future funding gap by targeting yet further savings in these same services and have them continue to function properly.

## Future Challenges

Looking forward, councils continue to plan for an increasingly challenging and uncertain financial landscape. This includes pressures resulting from underfunding, inflation, demographic change, increased demand for services, and workforce shortages. The unprecedented nature of current fiscal challenges means that in order to remain sustainable and continue to perform well, councils are now absorbing a higher level of risk to bridge the funding gap. Councils are increasingly having to rely on savings and reserves to balance budgets, as well as continuing to sustain and reform essential services whilst managing significant and widespread workforce shortages.

This is not sustainable, and without action and further investment, the threat of an unbalanced budget or 'effective bankruptcy' appears closer than ever. In Scotland, so far, no council has been unable to balance their budget despite repeated warnings that this is likely to occur in the near future. While in England there is a clear legislative process, whereby a council can issue a Section 114 notice where it is believed impossible to pass a balanced budget in-year, until now, the preference in the local government sector in Scotland has been for preventative action. This has included reassessments of local government obligations to meet existing Scottish Government spending priorities (such as on teacher numbers).





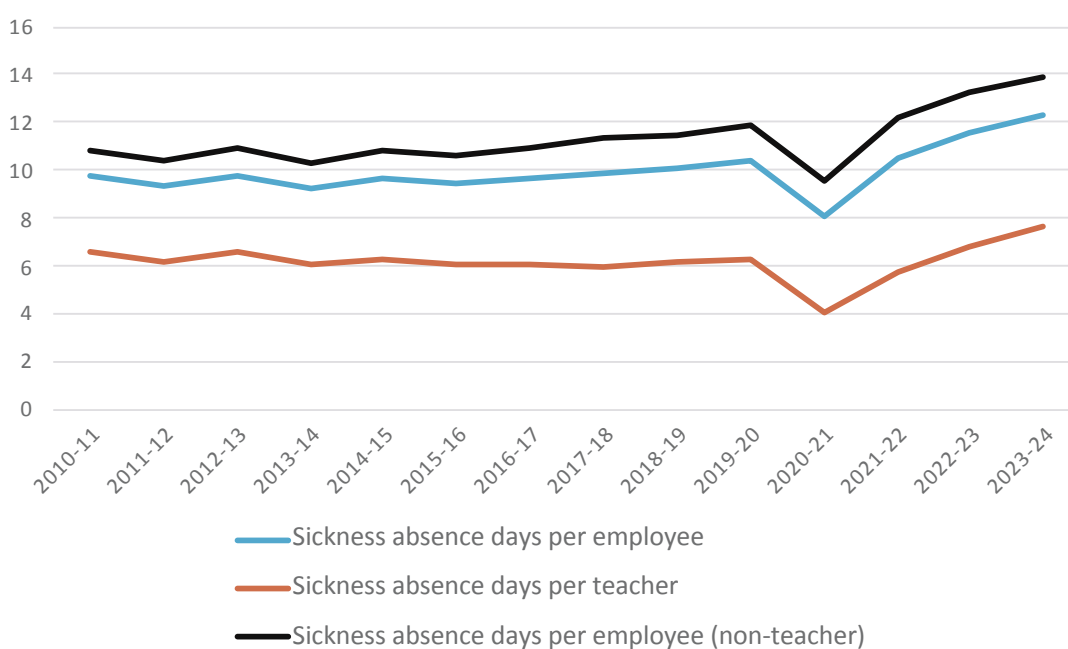
## 2. Workforce Challenges

Against the fiscal context outlined in the previous chapter, councils continue to face multi-faceted workforce capacity pressures which are impacting on overall organisational capacity and resilience. The scale of the problem is growing and spans a wide range of skills, professions, and occupations, with councils struggling to find and to keep the staff needed to provide the complex and pressured services local communities rely upon.

Some workforce capacity issues being faced by councils are historical, linked to ringfenced budgets; pressure to make year on year savings; an ageing workforce demographic; geographic disparities in population; and generally reduced availability of funding to enable suitable or sustained workforce investment. Other challenges have emerged more recently and include significant shifts in local labour market workforce availability; recruitment difficulties due to skills and talent shortages; and wage inflation and associated pay erosion in professional roles across a range of services and functions, with many roles going unfilled across Scotland.

Against this context, it is perhaps unsurprising that LGBF data continues to record increases in staff absence across the sector, particularly for reasons of stress, mental health and fatigue. In 2023/24, council staff absence levels reached the highest level ever reported.

**Figure 3: Local Government Sickness Absence Trends**



*Note: Covid-related absences were recorded separately during 2020-21 to 2022-23, and do not contribute to the trends during these years.*

Absence levels for all staff, excluding teachers, have continued a long-term upward trend, reaching an all-time high of 13.9 days in 2023/24, which is a 4.6% increase from 2022/23. Meanwhile, teacher absence levels also increased sharply in 2023/24, rising by 12.5% to reach a historic high of 7.6 days. Although absence levels experienced a temporary Covid related decline in 2020/21, absence has risen sharply in the past three years and now significantly exceeds pre-pandemic levels.

The growth in absence in the last three years has been driven at least in part by NHS backlogs for treatment and longer recovery times due to treatment delays and inactivity. Long-term absence in particular has been impacted by treatment delays, with staff continuing to be off long-term with multiple medical conditions, reflecting the national trend.

These rates of overall absence combined with high levels of vacancies in some roles will be impacting on councils' capacity to deliver essential local services. This adds additional pressure and stress as demands continue to outstrip the local government workforce and ultimately leading to increased absence.

## Wider Workforce Issues in Scottish Local Government

A comprehensive overview of current workforce issues in Scottish Local Government is set out in [Scotland's Local Government Workforce Report 2024](#) published jointly by Solace, the Improvement Service and SPDS (Society of Personnel Development Scotland). This report details how the current workforce issues are caused by a range of factors including:

- Financial and resourcing pressures
- Demographics and an ageing workforce
- Recruitment and retention difficulties (arising from local labour force workforce availability, skills gaps, pay competition, and changing perception of local government as an employer).
- Increased service demand

### Financial and resourcing pressures

Explored in greater detail in the Finance section of this report, the long-term fiscal pressures facing local government provide the backdrop to councils' workforce challenges. Local government employees are faced with the continuous challenges of managing reducing budgets and pressure to make savings, whilst responding to increased needs and demands in our communities. There has been limited funding available in recent years to facilitate suitable or sustained

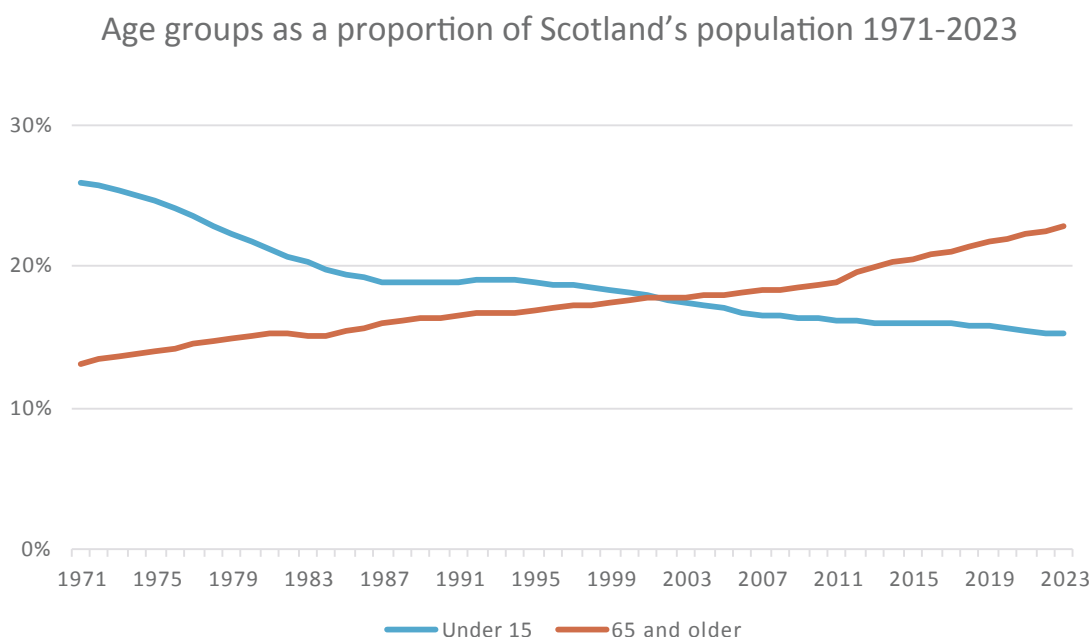
workforce investment to support the local government workforce to deal with these growing challenges. The annual budget process creates uncertainty across the workforce, a contributory factor to poorer mental health related conditions, particularly in the context of ongoing cost-of living-increases. Industrial action driven by pay disputes, stemming from inflationary cost pressures, not only strains budgets but also negatively impacts staff morale and service delivery.

### Demographics and an ageing workforce

The local government workforce is ageing, and councils are now seeing employees retiring earlier. This is a particular challenge in relation to senior management and leadership positions, where there continues to be a significant turn-over in the most senior positions within councils. Recognising the wealth of experience and skills that older employees bring to local government, a key focus is required on how local government can improve retention amongst this group of staff.

A further challenge in relation to the ageing workforce is that many councils are finding it more difficult to attract younger workers into roles and professions at all levels. The ageing population means that the number of those aged 65 and over is now higher than those aged under 15 (Figure 4). This population trend has a direct impact on the proportion of people of working age in Scotland and the pool of potential employees available for local government to recruit from. There are variations in population profile between areas, which present some council specific issues, but the general trend is consistent with a contracting labour market and the local government workforce itself reflects that ageing trend.

**Figure 4: Scotland's population is ageing**



Source: [Mid-Year Population Estimates for Scotland](#), National Records of Scotland

The challenges created by the ageing demographic profile are exacerbated by trends in Scotland's population health, with health gains stalling and many measures of illness now worsening.<sup>4</sup> The Scottish Burden of Disease study predicts a 21% rise in reported cases of key diseases with cancers, cardiovascular disease and neurological conditions making up two-thirds of the projected increase. The current rate of people living with two or more health conditions is 1 in 4 and as the population ages, this will continue to increase.

## Recruitment and retention of staff

Recruitment and retention challenges continue to grow for councils in an increasingly competitive labour market. Staff shortages are still being felt to varying degrees across all council services, driven by competition from other sectors, pay competitiveness, and shortages of workers with the appropriate skills (locally and nationally). Social care and social work continue to remain the highest priority workforce gaps with 97% and 91% of councils reporting shortages in these areas respectively. Staff shortages in other areas are becoming more prevalent, with councils now facing gaps in areas not previously impacted. Complex structural issues within the skills system in Scotland are now also directly impacting on a range of critical statutory roles. These recruitment and retention difficulties have led to a growing reliance on agency staff across some key service areas, for some authorities, often leading to further increased costs.

Attracting a younger generation into the local government workforce as well as making local government an attractive place to work is critical for future workforce planning. The changing perception of local government as an employer is an important factor here. CIPD's (Chartered Institute for Personnel Development) [Working Lives Scotland 2024](#) report identifies "growing unease across the public sector", pointing to the following evidence:

- Falls in employee voice scores recorded in the CIPD 2023 survey have not improved. In fact, manager voice ratings have worsened considerably for public sector employees.
- In work centrality questions, there are signs of public sector employees growing increasingly detached from their jobs, with a higher proportion saying their job is just a way of earning money and no more.
- Similarly, there is a drop in the proportion of public sector employees saying they feel inspired at work.

This represents a modal shift in beliefs about a local government workforce who are motivated to pursue a vocation in public service. This is clearly no longer the case for many and the option of similar pay in a less demanding and less stressful

<sup>4</sup> Realistic Medicine - Taking Care: Chief Medical Officer for Scotland annual report 2023 to 2024 - gov.scot



work environment is resulting in the workforce choosing to move into other sectors. This means that local government is coming under increasing pressure from pay competition in other sectors and recruitment and retention of staff is increasingly difficult.

### Increased demand for services

Ageing populations, along with rising costs for every day essentials are leading to increased demand for local government services, particularly in statutory services like social care and housing. While the overall population has grown by 3% in the past 10 years, the 65+ population has grown by 18% while the 75+ population has grown by 21%. An ageing population means more people in our communities with multiple and increasingly complex needs relying on essential council services, at the same time as the available labour market reduces. The cost-of-living crisis has further exacerbated the workforce crisis, increasing demand for council services particularly by the most vulnerable in society, just as staff are choosing to leave local government for better paid jobs in other sectors to cope with rising inflation.

## Future Priorities

This complex picture requires concerted and coordinated action across all aspects of local government. The [Scotland's Local Government Workforce Report 2024](#) sets out the actions that can be put in place to tackle these issues and local government is already taking proactive steps to deliver progress towards these. These include:

- All councils have plans in place for maturing their approach to workforce planning. These include a greater focus on a younger workforce, continuing to proactively identify and address critical skills gaps, investing in priority areas such as net zero, and aligning workforce planning with strategic objectives.
- SOLACE, SPDS and IS have recently completed a survey into leadership and management development in councils which will inform potential areas for joint working and collaboration in an area that is currently fragmented. The Local Government Transformation Programme, led by Solace and the IS, has established a Leadership Practitioner Forum, putting action in place to respond to this key workforce risk.
- The recently established Local Government Workforce Board represents a co-ordinated commitment from SPDS and Solace to implement the actions identified in Scotland's Local Government Workforce Report. The Action/Delivery plan 2024 sets the development priorities around which councils will collaborate to improve levels of workforce planning practice, linked to other national and regional activities.

- Work is planned between SPDS and NEREO (North East Regional Employers Organisation) with support from SOLACE, COSLA and myjobscotland (MJS) to support Scottish councils to develop a national recruitment and branding pilot and strategy.
- The Accounts Commission's recent national Best Value thematic work on Workforce Innovation highlights how councils are stepping up to plan for and support the future workforce. This includes integration of workforce plans with strategy, digital technology, hybrid and remote working, future capacity and skills needs and workforce planning impact.
- The agenda for digital transformation also brings challenges. Changing expectations around when customers want to access services means more flexibility is required around service delivery than ever before. Councils are working to anticipate future digital trends and new ways of working that will impact on the workforce.
- Councils are also working together to explore shared service models, such as making use of additional procurement capacity provided by Scotland Excel and exploring the possibility of shared staff across groups of councils. There are also multiple "grow your own" programmes in place where vacant posts are filled through providing development opportunities to existing staff members.

The current position is very difficult. At a time when demands on councils are increasing across many services, additional workforce capacity issues have compounded and increased the scale of challenges which now need to be addressed to ensure the longer-term sustainability of local government. The workforce is key to how we shape and deliver local services for the future, and the scale of current workforce issues risks leaving councils with insufficient staff with the appropriate skills and qualifications to deliver services to the level needed.

It is clear that given the workforce issues facing local government, there is a need for radical change if councils are to maintain services. The Local Government Transformation Programme will be key in driving the radical change required within local government and the wider system. This programme will focus on tackling the challenges we face, and in considering how we might transition to a model of service delivery that is fit for purpose in the 21st century. Councils will continue to co-ordinate, collaborate and work jointly with their professional and support organisations in the delivery of this programme.





### 3. Health and Social Care Pressures

The biggest short-term and long-term pressure for council budgets is adult social care. Councils and their partners face significantly growing demands largely due to supporting the increasingly complex needs of people with disabilities and an ageing population. Since 2010/11, the over 65 population has grown by over 26%. This does not factor in increases in the numbers of people with learning disabilities or mental health issues. At the same time the deepening crisis in workforce recruitment and retention is adding further to the pressures facing the sector.

Against this context, long-term underfunding has meant a greater proportion of the increasingly limited resource is being targeted at reducing waiting times and reducing the backlog of elective surgeries. This has constrained the managerial space for much needed early intervention and prevention planning. As such, pressures upon health and social care services will become increasingly stretched in coming years with phases such as winter pressure pushing services ever closer to the brink.

While adult social care is an area of expenditure growth, financial pressures from rising inflation, pay uplifts and Covid-19 legacy costs are making it difficult to sustain services at their current level and, collaborative, preventative and person-centred working is shrinking at a time when it is most needed. Cuts to services have been required, and being able to meet statutory service delivery let alone improving outcomes and meeting public expectations is becoming increasingly challenging across the sector. This is despite the exceptional efforts and commitment from those working in the sector, and closer partnership working between councils, health boards, Health and Social Care Partnerships (HSCPs), Integration Joint Boards (IJBs), the third sector and private providers.

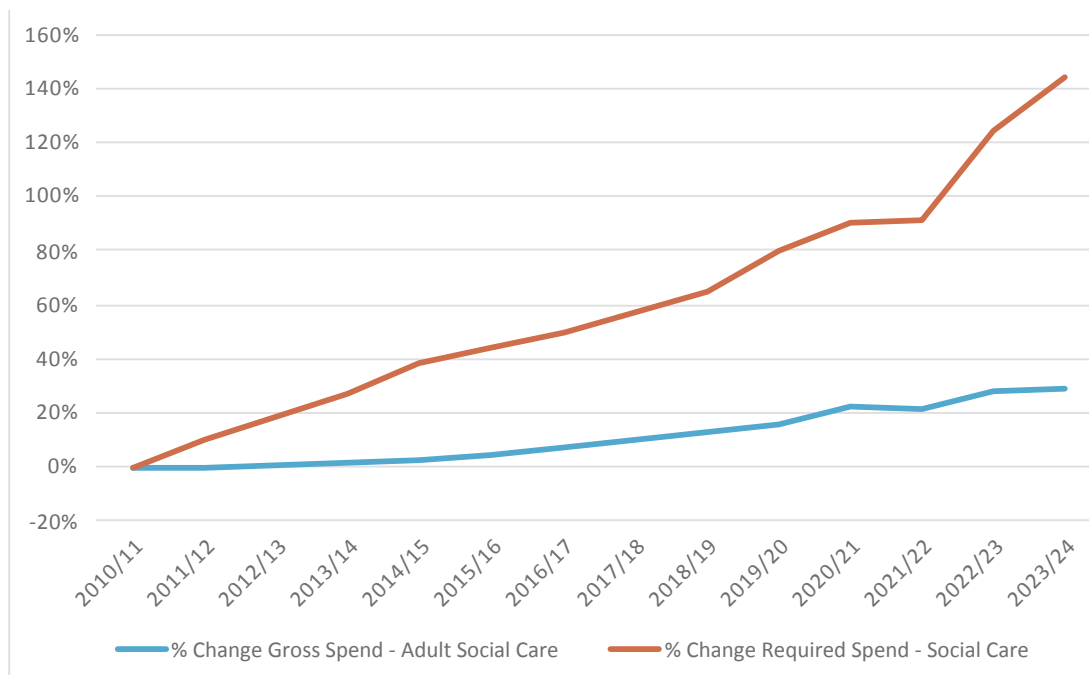
This continues to be a period of significant debate around the need for change in the social care landscape. The issues facing social care have been the subject of much focussed attention since the 2021 Independent Review of Adult Social Care, and within the recent scrutiny of the National Care Service (Scotland) Bill. Although to date, there has been limited change, it will be essential that the LGBF evolves to reflect the challenges and opportunities ahead. We will continue to work with Social Work Scotland and Chief Officers of the Integration Authorities to ensure developments in the LGBF support councils and partnerships to take action to ensure the sustainability of the sector and improve the availability and quality of social care services.

#### Expenditure and Workforce Pressures

The scale of the expenditure growth in adult social care has been inadequate to keep pace with demand arising from demographic trends. Gross spend on

adult social care has risen, in real terms, by over a billion pounds, or 28.7%, since 2010/11. However, when modelling the demand for these services based on demographic change, we would expect to have seen expenditure more than double, rising by 144%. If expenditure had kept pace with this increasing demand, gross spend would be £4.1 billion higher than it is now (Figure 5). Given the proportion of the population over the age of 65 is projected to grow by nearly a third by mid-2045, the demand and need for services will continue to increase and become more complex in the decades ahead. The options for health and social care services in the short and longer term are becoming increasingly limited. Bold future planning as described by the Christie Commission in 2011 argued for health and social care services to focus upon medium and long-term planning in early intervention and prevention in order to mitigate the demographic changes that were clearly evident then. The absence of such bold planning has placed us in the current situation with limited options available to cope with ever increasing demand.

**Figure 5: Actual and required gross spend on Social Care (based on modelled demographic demand)**



Source: Local Government Finance Statistics and NRS Population projections

Expenditure on adult social care has increased by 0.6% in real terms in 2023/24, and by 5.6% since 2021/22. Rather than reflecting increased provision or much needed investment, the most recent expenditure largely reflects sector pay settlements and additional national funding to support the commitment to paying the Scottish Living Wage to care workers in line with Scottish Government's commitment to Fair Work. Social care provision involves high volume services and even a small rise in hourly rates paid to staff in private provision, for example, results in significant additional costs.

Increasing costs are making it more challenging for many providers to continue to deliver services. There are specific local pressures in different areas of Scotland, particularly within rural and island communities. In particular, for smaller, independent and third sector service providers, rising costs are creating challenges for the long-term viability of their services. For example, in residential care homes, an increase in fuel costs to heat and provide power for residents has made their financial viability increasingly challenging. A growing elderly population, combined with depopulation and rapidly rising service delivery costs in these communities, is a serious concern. In Shetland for instance, all but one of the care homes are operated by Shetland Islands Council.

Within overall adult social care spend, there has been a shift in the balance of expenditure towards greater home-based support. While the budget for care home provision remains 20% larger than that for care at home, the gap has halved since 2010/11. Expenditure on care at home provision for older people has continued to increase significantly faster than the growth in care home provision for older people (39% compared to 10% since 2010/11).<sup>5</sup> There is considerable variation beneath the national expenditure trends, reflective of local need, demographics and cost pressures, and illustrating the importance of a flexible approach to focus on what is important locally.

As detailed in the previous chapter, the biggest single issue for councils and partnerships is the recruitment and retention of staff at all levels. The Covid-19 pandemic, the cost-of-living crisis and the impact of the withdrawal from the European Union have deepened existing pressures. This is particularly acute for some of our more rural and island communities where there is a high dependency ratio and a limited pool of people to attract into the social care workforce.

While there are multiple drivers for the widespread staff shortages facing the sector, low rates of pay for often long and demanding working hours are central to this. The minimum rates of pay within social care are not competitive with the wider labour market, even with the recent Scottish Government commitment to increase the Scottish living wage from April 2024. The increasing disparity between health sector and social care sector wages has also been identified as a factor, with pay for adult social care workers 19% less than NHS entry level pay.<sup>6</sup> While these pressures are particularly evident for front-line care staff, recruitment of social workers, allied health professionals and nurses are all areas where competition is fierce, and posts can remain vacant for a very long time. There is evidence that not enough people are being trained in these key disciplines to meet the workforce needs.

Managing these ongoing recruitment and retention issues, against a context of increasing demand and growing financial pressures is threatening the

<sup>5</sup> Note: Care Home expenditure represents gross expenditure net of client receipts

<sup>6</sup> Workforce Recruitment and Retention Survey Findings, Scottish Care, September 2021

sustainability of social care services. Not having the right staff in the right place leads to increased cost in the system. The rise in delayed discharges since the end of the pandemic is a symptom of this and is being driven in many areas by the fall in care at home availability and a lack of dementia specific care home beds. Vacancies for social workers and Allied Health Professionals (AHPs) in particular, mean that early intervention is compromised, and rehabilitation and assessment activity is delayed.

A national and co-ordinated approach to workforce planning will be essential to address these issues, underpinned by sustainable funding.

## Provision

Data on adult social care provision in 2023/24 provides clear evidence of current system pressures in relation to resourcing, staffing and capacity. These trends add to growing concern about levels of unmet need, particularly within the community, and the capacity within the current system to be able to adequately respond to levels of growing need within our communities. This section will consider each in more detail.

**Table 3: LGBF Social Care Trends**

	2010-11	2019-20	2020-21	2021-22	2022-23	2023-24	Change since 10/11	Change since Pre Covid	Change since 2022-23
Number of Care at home Hours delivered per year 65+	21.6m	24.5m	24.4m	24.8m	24.2m	25.1m	16.2%	2.4%	3.7%
Number of Clients receiving personal care at home 65+	46,950	46,220	46,930	43,760	45,330	47,130	0.4%	2.0%	4.0%
% of people aged 65+ with long-term care needs who received personal care at home	58.94%	60.70%	61.70%	61.90%	61.50%	62.60%	3.7pp	1.1 pp	1.9pp
Number of long-stay residents 65+ supported in Care Homes	31,050	30,420	28,120	27,580	28,080	28,210	-9.1%	-7.3%	0.5%
Number of readmissions to an acute hospital within 28 days of discharge	90,012	112,873	91,887	98,102	97,128	102,941	14.4%	-8.8%	6.0%
Number of hospital discharges	1,003,688	1,076,118	764,451	919,043	950,151	990,306	-1.3%	-8.0%	4.2%
Number of bed days people spend in hospital when they are ready to be discharged 75+	391,389	360,733	227,524	357,719	439,686	431,447	10.2%	19.6%	-1.9%
Older Population - Persons aged 75+ MYE	404,147	464,753	468,672	477,105	497,909	512,713	26.9%	10.3%	3.0%
Older Population - Persons aged 65+ MYE	882,222	1,047,583	1,061,024	1,079,614	1,097,402	1,116,361	26.5%	6.6%	1.7%

*Note: Care at home data is based on an average of quarterly figures published as part of Scottish Government's Free Personal and Nursing Care Statistics.*

## Care at Home

As with other parts of the social care system, the sustainability of care at home services is under pressure due to significant workforce shortages, increasing demand, and growing costs. A preventative and early intervention approach to health and social care requires a resilient care at home sector which supports people to remain independent and safe in their own homes. In addition to valuing choice and independence, it prevents unnecessary admission or readmission to hospital which puts more pressure on an already strained service.

The level of care at home provision for over 65s has grown by 16.2% in the last decade, with 25.1 million hours delivered in 2023/24 compared to 21.6 million hours in 2010/11. Over the same period, the number of people aged over 65 has risen by 26.5%. Critically, there has been virtually no change in the number of people receiving personal care at home during this period (+0.4%) while the hours of care they receive on average has increased, i.e. a greater resource has become targeted on a smaller number of people with higher needs.

The fact that there has been no growth in the number of clients receiving personal care at home 65+, at a time when the over 65 population has increased by over 26% makes clear that the proportion of people receiving a service has reduced. This reduction may reflect the more widespread use of reablement and rehabilitation to reduce on-going needs for individuals together with the use of telecare. The risk, however, is that the application of critical eligibility criteria governed by cash limits means there is limited input with a preventative focus. Increasingly stringent eligibility criteria, while alleviating the allocation of limited resources for health and social care services in the short term, will in all probability lead to higher demand in the longer term.

With significant workforce and resilience issues, there is increased pressure on waiting lists for assessment and care, and on the size of support packages offered. The growing level of unmet need is leading to more carer and informal family support being relied upon, illness and risk being held in community and primary care settings, and more people who are medically fit being delayed in hospital. While the national trend is clear, it is important to note there is significant variation beneath this trend, reflecting local differences in need and workforce pressures.

## Care Homes

There has been a significant fall in the number of long-stay residents (65+) supported in care homes since 2010/11. This 9.1% reduction has been despite the 26% increase in the older population across this period.<sup>7</sup> The change does not

<sup>7</sup> Note: This relates to funded residents. Results from the 2024 care home census shows that the total number of care home places reduced by 6% in the last 10 years.

represent a shift to more people being looked after at home as the data does not support this explanation. Rather, there has been a squeeze as a result of both budget pressure and the wider vulnerability in the sector with a number of care homes closing.

The care home sector remains fragile after the Covid pandemic and is now facing a renewed financial crisis due to workforce shortages and inflation. This has exacerbated concerns over the rate of care home closures, with the number of care homes reducing by a fifth in the last decade. This is a particular issue for rural and remote areas, and for small care homes, undermining efforts to offer care that is local. This financial instability in care homes creates harm for residents and additional stress for staff and care home operators. The future landscape remains challenging for the care home sector, as it responds to this range of complex challenges.

## Readmissions

The number of readmissions to an acute hospital within 28 days of discharge increased by 6% in 2023/24. The reasons for the recent rise are likely to reflect pressure to discharge given the demands on the acute sector coupled with a rise in the complexity and frailty of people who experience a hospital stay. Longer stays, whether involving a delay or simply the time taken for treatment, are likely to reduce resilience for older people and increase the risk of re-admission.

While current levels remain 8.8% lower than pre pandemic figures, the data indicates a return to the long-term upward trend observed in readmissions since 2010/11. To understand the long-term trend, demographic factors are important. While the focus of care is to enable some of our most vulnerable in society to have support to live their lives as well as possible, the increasing complexity of need and frailty in an ageing population brings an increase in multiple and complicated health conditions for which readmission is often a natural part of the care journey.

The role being played by decision making in the hospital discharge process, alongside capacity issues in relation to follow up support in driving both the long-term national trend and local variation within it, is an area where further exploration would be helpful. While there is a long-term focus on the discharge process and getting the right destinations for people first time, it is important to recognise that significant pressures remain in the exit solutions which are available to those ready to leave hospital and this may continue to have an impact on decision making in relation to the hospital discharge process.

## Delayed Discharge

There has been a 55.6% rise in bed days associated with delayed transfer of care since 2016/17, including a 19.6% increase post Covid. This reflects the overall pressure on the system and the complexity for frail people. Since Covid, a significant issue has been the recruitment and retention of care staff in both care homes and care at home. For many partnerships, this is a major factor contributing to the delays. The relative lack of growth in provision of care at home and care home provision as compared to the rise in the numbers of people aged over 75 (26.9% growth since 2010/11) are likely to be key explanatory factors in the rise in delayed transfer of care.

This has been an area of significant and sustained focus for authorities. Waiting unnecessarily in hospital is a poor outcome for the individual and is particularly bad for the health and independence of older patients. The fact that levels remain stubbornly high points to the need for a genuine whole systems approach to resolve this issue. Viewing acute settings as the priority for intervention within the system (i.e. freeing up bed spaces) neglects the complex infrastructure that may be required in the community setting, which can involve community health, primary care, social care, social work and care home provision, for an individual to live safely in the community. People need to be discharged to an appropriate setting that is best for their reablement. Focusing on discharging patients without the appropriate social care package in place is not desirable, and improvements need to be achieved by better joint working and use of resources. Addressing the significant capacity and resilience issues within care at home and care home provision is an essential element of this whole system approach.

## Satisfaction

Satisfaction levels among both those being cared for at home and among carers shows a long-term declining trend. Biennial data from the Health and Care Experience Survey reveals reduced satisfaction with services in relation to the impact on quality of life, living independently, choice and control, and support for carers.



Table 4: LGBF Social Care Satisfaction Trends

	2013-14	2015-16	2017-18	2019-20	2021-22	2023-24	Change since 2013-14	Change since pre-Covid	Change since 2021-22
% of adults supported at home who agree that their services and support had an impact in improving or maintaining their quality of life	85.0%	84.0%	80.0%	80.0%	78.1%	69.8%	-15.3pp	-10.3pp	-8.4pp
% of adults supported at home who agree that they are supported to live as independently as possible	82.8%	82.7%	81.1%	80.8%	78.8%	72.4%	-10.4pp	-8.4pp	-6.4pp
% of adults supported at home who agree that they had a say in how their help, care or support was provided	83.1%	78.8%	75.6%	75.4%	70.6%	59.6%	-23.5pp	-15.8pp	-11.0pp
% of carers who feel supported to continue in their caring role	43.0%	40.0%	36.6%	34.3%	29.7%	31.2%	-11.8pp	-3.1pp	1.5pp

Source: Health and Care Experience Survey - Biennial

This decline in satisfaction has accelerated in recent years, particularly in relation to choice and control, which is likely to reflect the year-on-year squeeze in resources. Fewer people as a proportion of the population are getting services, and where services are provided, they are stretched; for example, short visits to undertake only essential care tasks; limited choice as to times of visits due to limited staffing resources; different staff dealing with clients with limited continuity etc. While there has been a small improvement in the percentage of carers who feel supported in the most recent data period, this remains very low at 31%.

In understanding the longer-term trend, it is important to recognise that service expectations have been raised amongst our communities, at a time when our ability to deliver is under greater pressure than ever, and demand is accelerating faster than ever. This can be seen particularly in expectations in relation to choice, control and support for carers which have been introduced via legislation on Self-Directed Support and via the Carers Act at a time when councils' capacity to deliver on this has deteriorated. More recent changes in public attitudes since Covid may also be a factor, with raised expectations following the Feeley Report and public discourse on the National Care Service which has not been followed up with resources. The lack of agreement on a clear way forward for health and social care in Scotland was demonstrated by the lack of stakeholder agreement around what a National Care Service should look like. This simply serves to confirm the view that these issues, both in Scotland and the wider UK, are not being addressed currently, with difficult discussions around the resourcing of health and social care always pushed further and further down the line.

## Future Pressures

The social care sector is currently facing complex and unprecedented pressures and challenges. These challenges are not easily resolved and are worsening. There is a growing demand for services, which is intensifying challenges in maintaining the workforce, while financial pressures continue to rise. This has been exacerbated by the cost-of-living crisis, increasing cost of provision of services and a changing policy landscape. The Covid-19 pandemic has also had a lasting impact on this sector, given the impact on health and social care staff and the need to continue to protect vulnerable people.

There are a number of ‘whole-system’ issues which need to be addressed:

- Over the longer-term period, the funding and level of provision in social care has not grown to sufficient levels to meet demand and drive the desired shift to early intervention advocated for by the Christie Commission. Instead, a greater resource has become targeted on a smaller number of people with higher needs. While shifting the balance of care out of hospital remains a challenge, much has been done to date to relocate the support people require into their own homes and communities, in the context of growing demand. This includes successful large scale closure programmes of long stay hospital care for older adults and people with physical and learning disabilities, shifting of rehabilitation services into community and home-based settings, and the expansion of provision of primary and community care led services supported by Health and Social Care Partnerships into communities, and into people’s own homes, and out of hospital settings. A sustained and real commitment to the “whole system” of population health is required, including investment in the vital preventative and early intervention services councils provide which are critical to addressing the social determinants of health. Better ‘whole system’ data is needed to support the desired shift to a preventative approach that values personal choice and independence and moves away from our current emergency response primarily focussed on acute and secondary hospital care.
- Councils and service providers face growing difficulties in recruiting and retaining staff due to low pay, anti-social hours, increasing workloads and difficult working conditions. [Latest figures](#) show workforce shortages are worsening in the care sector with 49% of care services reporting vacancies, up from a third in 2020. These issues are whole system, affecting both public and private providers. This has led to wider issues and concerns in relation to resilience, especially at peak periods such as winter. The recent temporary 1.25% increase, and subsequent reversal, in National Insurance Contributions (NIC) implemented as the ‘Health and Social Care Levy’ during 2022/23 caused huge uncertainty and instability in an already

fragile market. A national and co-ordinated approach to workforce planning is needed, underpinned by sustainable funding.

- There is enormous reliance on unpaid carers to support the social care system. There are an estimated 800,000 unpaid carers in Scotland, including 30,000 young carers, compared to around 125,000 workers in care at home, housing support and care homes. The social care system relies on the contribution of the community and unpaid carers with the value of unpaid care estimated at £36 billion a year in Scotland.<sup>8</sup> Against a context of increasing demand and greater level of illness, alongside low workforce availability and resilience, this is leading to growing levels of unmet need, with more carer and family support being relied upon. These issues will get worse as demand continues to increase and the workforce pool continues to contract. The increasing pressures facing unpaid carers and the challenges for the social care sector in delivering much-needed support are evidenced in carer satisfaction levels presented in this report.
- Uncertainty around plans for the National Care Service have contributed to the difficult context for planning and delivering effective services. While the National Care Service no longer includes plans for structural reform of adult social care, it remains critical that the creation of a National Care Service, and its formation in the years ahead, does not undermine what has been achieved to date nor impact upon the ongoing pace of change required to support our citizens for the challenges ahead.

Many of these challenges are long-standing, but arguably are more acute today, particularly since the Covid-19 pandemic and cost-of-living crisis. Integration Joint Boards and Health and Social Care Partnerships have demonstrated an ability to work collaboratively over the last ten years to improve and transform services to deliver as high a quality of service as possible to their citizens. This work to make best use of the available resources will continue. HSCPs are working at many levels to support change; from a greater focus on staff well-being to seeking to harness digital solutions to improve workflow or service user engagement in health and care. Closer partnership working is essential during this exceptional period of sustained and deepening pressure, with the strongest partnerships best able to deal with the multiple challenges presented. Councils, Health Boards, HSCPs, IJBs, the third sector and private partners all play a key role.

---

<sup>8</sup> Independent Review of Adult Social Care in Scotland, Derek Feeley, February 2021





## 4. Education for Children and Young People

Against a challenging backdrop for families in relation to the Covid pandemic and the ongoing cost-of living crisis, local government has continued to deliver progress on key priorities for children and young people. The LGBF provides evidence of the difference that has been made in outcomes for children and young people, including attainment in the Curriculum for Excellence and across the senior phase, and in terms of leaver destinations.

It is important to recognise the improvement that local authorities are supporting, including work nationally around the Scottish Attainment Challenge (SAC). There is a strong focus on improving the wellbeing of children and young people, alongside the continued commitment to improved attainment. Going forwards, the SAC Stretch Aims articulate local authorities' collective ambition for where they want to be by 2025/26 and set out the priorities in relation to further improvements in pupil attendance, Curriculum for Excellence attainment, senior phase attainment and leavers destinations.

It will be important for the LGBF to continue to align with the Stretch Aims, the National Improvement Framework (NIF) and associated national priorities of attendance, achievement, behaviour and curriculum. This will ensure those challenges which exist are addressed collectively as a system, thereby reducing complexity, and bringing greater coherence in how data is used to drive improvement.

### Child Development and Early Years Provision

For the third year in a row, the percentage of young children with recorded developmental concerns has increased, albeit very slightly. Although there is a time delay in data availability, the most recent data available shows that the percentage of children with no developmental concerns at their 27–30-month review decreased from 82.2% in 2021/22 to 82.1% in 2022/23. Where developmental concerns were noted, these predominantly related to speech, language and communication. Prior to the Covid pandemic, there was a 5-year improving trend in this important measure of young children's development. This recent decline is not universal however, with just under a half of authorities reporting an improvement in 2022/23. It is important to note that there were adaptations to the delivery of the child health reviews during Covid, which may be a factor in recent trends.

There are persistent and growing inequalities in the proportion of children who are found to have a developmental concern. Children in the most deprived areas

are 2.7 times more likely to have a developmental concern recorded compared to those living in the least deprived areas in 2022/23. The gap between the most and least deprived areas is wider than at any point across the last 10 years of reporting.

To provide a richer understanding of child development, we will closely monitor improvements in the coverage of the 4-5-year-old review as we consider the potential to include this important area within the LGBF.

**Table 5: Developmental Milestones and Quality Ratings for Early Years Provision**

	2013-14	2019-20	2020-21	2021-22	2022-23	2023-24	Change since 13/14	Change since pre-Covid	Change since 2022-23
Percentage of Children Meeting Developmental Milestones (27-30 Review)	80.8%	85.7%	85.1%	82.2%	82.1%	dna	1.3pp	-3.6pp	-0.1pp
Quality of Early Years Provision <sup>9</sup>	92.6%	90.2%	90.9%	89.4%	90.1%	89.8%	-2.8pp	-0.4pp	-0.3pp

*Note: In 2020/21 and 2021/22, covid related adaptations to inspection practice and flexibilities which were introduced in relation to aspects of the National Standard may affect comparability of data with previous and future years*

The expansion of early years provision is a flagship policy which underpins broader ambitions to reduce child poverty and to support economic transformation. Improving the quality and flexibility of early years provision is a cornerstone of the expansion programme.

The quality of early years provision remains high, with 89.8% of funded provision receiving good or better gradings from the Care Inspectorate, although this has dipped in 2023/24. While quality ratings have remained at or around 90% for the past 10 years, levels have shown a decline of 3.7 percentage points since 2014/15. This trend is not universal, however, with a third of councils seeing the quality of their early years provision improve since 2014/15.

The growing blend of local authority and partner provision is important in these trends. The early years expansion has seen a rapid growth in the use of partner provision. In September 2024, 32% of all children who received expanded hours were in partner provision, up from 27% in August 2020. Since 2021, the number of children receiving all or most of their hours in private partner nurseries has increased by 11.6%.<sup>10</sup> Given local authority run services continue to receive higher quality ratings compared to other sectors (93.4% compared to 81.5% in

<sup>9</sup> This is based on data provided directly by the Care Inspectorate, and may not match what is published in 'Early Learning and Childcare Statistics', where estimates and imputations are used to account for non-submissions

<sup>10</sup> [https://www.improvementservice.org.uk/\\_data/assets/pdf\\_file/0029/55784/ELC-Delivery-Progress-Report-Sept-24.pdf](https://www.improvementservice.org.uk/_data/assets/pdf_file/0029/55784/ELC-Delivery-Progress-Report-Sept-24.pdf)

the private sector, and 87.7% in Voluntary/Not for profit),<sup>11</sup> this will be an important consideration as the expansion to 1140 hours is embedded.

The 1140 duty brings significant challenges around workforce expansion. It takes time to build the workforce necessary to expand and double the volume of early years provision, whilst simultaneously maintaining and improving the quality. While access to leadership pathways has improved since the expansion, it is important to acknowledge that developing staff for management roles takes time. The larger workforce now provides a strong talent pool that is steadily gaining the experience needed for leadership positions. Although the average experience level has temporarily dipped, this is a natural phase of growth, and it is expected to rise again as staff continue to develop their skills and progress in their careers.

The 2023 Audit Scotland follow up review into Early Learning and Childcare indicates that councils and their partners have done well to increase early learning and childcare provision to 1,140 hours a year per child, despite the challenge of the Covid pandemic. They warn, however, that the sector remains fragile, and budget pressures, workforce recruitment challenges and the ability of funded providers to stay in business are risks that could affect flexibility and choice for families.<sup>12</sup>

It is too early to assess the extent to which the expansion has supported improved outcomes for children and increased opportunities for parents to engage in employment or education. It will be important for local government to feed into and inform the ongoing Scottish Government evaluation of the Early Learning and Childcare Expansion programme, which is due for publication in late 2025.<sup>13</sup>

## Primary School Pupil Attainment

Primary school data shows continued improvement in Curriculum for Excellence attainment following Covid. Attainment levels improved in both numeracy and literacy in 2023/24, with both continuing to reach levels higher than those observed pre-pandemic.

The poverty related attainment gap in literacy narrowed further in 2023/24, continuing to reduce beyond pre-pandemic levels. The attainment gap for numeracy remains smaller than that for literacy, and while it has narrowed significantly since the pandemic it has yet to achieve pre-pandemic levels.

The improvement in achievement is true for almost all councils in 2023/24 with

<sup>11</sup> [https://www.careinspectorate.com/images/2023\\_Early\\_learning\\_and\\_Childcare\\_Statistics.pdf](https://www.careinspectorate.com/images/2023_Early_learning_and_Childcare_Statistics.pdf)

<sup>12</sup> <https://audit.scot/publications/early-learning-and-childcare-progress-on-delivery-of-the-1140-hours-expansion>

<sup>13</sup> <https://www.gov.scot/publications/early-learning-childcare-expansion-programme-evaluation-strategy/>



children in all but two authorities now achieving above pre-Covid levels. There is, however, greater variability in progress to narrow the gap in achievement between SIMD Quintiles 1 and 5, with around a third seeing their gap widen in the most recent year.

**Table 6: Achievement of Curriculum for Excellence Levels (ACEL)**

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Change since 2018-19/ pre-Covid	Change since 2022-23
% of P1, P4 and P7 pupils combined achieving expected CFE Level in Literacy	72.3%	-	66.9%	70.5%	72.7%	74.0%	1.7pp	1.3pp
% of P1, P4 and P7 pupils combined achieving expected CFE Level in Numeracy	79.1%	-	74.7%	77.9%	79.6%	80.3%	1.2pp	0.7pp
Literacy Attainment Gap (P1,4,7 Combined) - % point gap between the least deprived and most deprived pupils	20.7	-	24.7	21.3	20.5	20.2	-0.4pp	-0.2pp
Numeracy Attainment Gap (P1,4,7 Combined) - % point gap between the least deprived and most deprived pupils	16.8	-	21.4	17.8	17.0	17.4	0.6pp	0.5pp

*Note: Due to the COVID pandemic and the closure of schools, the Scottish Government suspended the collection of the literacy and numeracy attainment data in 2020 to avoid adding further pressures on schools during this challenging period and citing potential comparability issues with previous years. 2019/20 data is therefore not available. Data prior to 2018/19 is not presented due to its experimental status.*

While the profound effects of the pandemic, including the disruption to education, are likely to affect achievement levels for some children for a longer period, it is encouraging to see overall achievement levels recover and improve. This reflects the significant efforts being made within councils to bring attainment levels back to where they were previously and provides evidence of strong progress towards the 2025/26 stretch aims.

## Pupil Attendance

While pupil attendance rates<sup>14</sup> have increased from 90.2% to 90.3% in 2023/24, they remain lower than pre-Covid rates of around 93%. The decline in attendance rates since pre-Covid is universal, with all authorities reporting a reduction.

Attendance rates are lower for secondary pupils and have shown a larger decline over time compared to primary pupils. Secondary attendance rates in 2023/24 were 87.6% compared to 92.5% for primary pupils.

<sup>14</sup> The rate reported in this attendance measure is methodologically consistent to attendance rates from previous years as it is not affected by the known underreporting of absence from home-learning. Therefore, this measure is comparable to previous years (bearing in mind the impact of COVID).

In 2023/24, pupils living in the most deprived areas had lower attendance rates than those living in the least deprived areas. Across all sectors, pupils living in the 20% most deprived areas had an attendance rate of 86.9% compared to 93.6% for those living in the 20% least deprived areas. The deprivation related gap has widened over time, increasing from 3.4pp in 2010/11 to 6.7pp in 2023/24. This deprivation related gap in attendance rates is greatest in secondary schools, with pupils living in the least deprived areas having an attendance rate 8.4 percentage points higher than those living in the most deprived areas.

Further examination will be helpful in due course to understand the extent to which this decline in attendance following Covid reflects an increase in long-term school absence and avoidance due to a growth in emotional and mental health issues, and whether the pandemic has had any longer-term effect on our long-standing conventions and expectations in relation to school attendance.

## Senior Phase Attainment

Senior phase attainment in terms of overall average tariff rates have reduced in both 2022/23 and 2023/24. Rates in 2023/24 are 2.5% above pre-pandemic figures. As highlighted in previous reports, interpreting the trends in the senior phase over the last five years is complex due to the different assessment methods used during the pandemic.<sup>15</sup> The pattern observed in senior phase attainment levels in the 2023/24 data is broadly in line with the SQA approach of working to return the overall pass rates back to where they were immediately prior to Covid. This trend is true for pupils in all SIMD Quintiles.

**Table 7: Senior Phase Attainment**

	2011-12	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Change since 2011-12	Change since pre-Covid	Change since 2022-23
Overall Average Total Tariff	770	895	925	963	972	918	917	19.1%	2.5%	-0.2%
SIMD Quintile 1	478	627	645	679	691	661	658	37.7%	4.9%	-0.5%
SIMD Quintile 2	618	742	754	807	818	783	762	23.3%	2.7%	-2.7%
SIMD Quintile 3	759	875	901	965	957	908	889	17.1%	1.6%	-2.1%
SIMD Quintile 4	909	1015	1025	1099	1105	1054	1049	15.4%	3.3%	-0.5%
SIMD Quintile 5	1101	1195	1236	1310	1310	1268	1260	14.4%	5.4%	-0.6%

Source: Average total tariff by SIMD quintile provided by the Scottish Government.<sup>16</sup>  
Overall average total tariff calculated from this by the Improvement service.

<sup>15</sup> Any changes between the attainment levels of the 2019/20 - 2021/22 cohorts, and those of previous or future years should not be seen as an indication that performance has improved or worsened, without further evidence.

<sup>16</sup> Note: As the school leaver data is not yet available for 2023/24, the basis for the data included here is different from published data available on the Learning Analysis School Summary Dashboard, which is based on school leavers. To allow 2024 data to be included, the Scottish Government has provided pupil's attainment by S6 based on the S4 cohort. All years included are based on this calculated measure of pupil attainment by S6 based on the S4 cohort.

Councils continue to demonstrate a significant commitment to meeting the policy goals of the National Improvement Framework, including improving attainment in the senior phase and closing the poverty related attainment gap. Prior to Covid, significant progress had been made in narrowing the poverty related attainment gap. However, during Covid, there was a significant widening in the gap, with faster improvement recorded for pupils in the least deprived areas (SIMD 5). In recent years there has been a relative closing of the gap, however this hasn't yet reached pre-Covid levels.

Each council has set locally identified stretch aims, to frame its aspirations for learners and to set an over-arching strategic ambition for improvement during the ongoing recovery from Covid. These stretch aims will also inform the [Framework for Recovery and Accelerating Progress](#), as part of the Scottish Attainment Challenge.

## Positive Destinations

The destination of pupils after leaving school is an important outcome measure of how well schools prepare young people for life beyond school. Positive destinations can be either higher or further education, employment, training, voluntary work or personal skills development.

Although there is a long-term improving trend in positive destination rates, with rates increasing by 5.4 percentage points since 2010/11, from 90.3% to 95.7% there has been a very small decline in 2023/24. In the most recent year, rates have fallen back from 95.9% in 2022/23 to 95.7% in 2023/24.

Over the longer term, there has been significant improvement in positive destinations for the most deprived school leavers. While the gap between those living in the least and most deprived areas has widened slightly in 2023/24 by 0.6 percentage points, over the longer period the gap has narrowed significantly from 8.2 percentage point gap 10 years ago, reducing to a 4.3 percentage point gap currently.

While it is encouraging that for school leavers, positive destination rates have recovered to above pre-pandemic levels, including for the most deprived SIMD groups, it will be important to monitor what the medium to longer-term impact will be on leaver destinations, particularly for young people experiencing high levels of deprivation. It is likely that the pandemic will have continued to affect the choices made by, and opportunities available to, some school leavers.

Table 8: Positive Destinations

	2011-12	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Change since 2011-12	Change since pre-Covid	Change since 2022-23
Proportion of pupils entering positive destinations	90.3%	95.0%	93.3%	95.5%	95.7%	95.9%	95.7%	5.4pp	0.7pp	-0.2pp
Positive Destinations for the most deprived school leavers	84.1%	92.4%	90.0%	92.8%	93.4%	94.0%	93.6%	9.5pp	1.2pp	-0.4pp

## Future Priorities

Recognising the strong alignment between the LGBF measures and the Stretch Aims, the National Improvement Framework and associated national priorities of attendance, achievement, behaviour and curriculum, the LGBF provides a good basis for any work that takes place under the new joint Education Assurance Board being established by Scottish Government, COSLA and ADES.

Given the curriculum review cycle taking place nationally, it will be helpful for the LGBF Board to continue to work closely with ADES, Scottish Government, and the new Assurance Board to ensure the development of measures that pick up the full extent of the Curriculum for Excellence in relation to confident individuals, responsible citizens and effective contributors, as well as successful learners. A particular focus within this will be on how to capture some of the wider information in relation to health and well-being, and what role the LGBF might play in helping us do that.

A further development priority will be to strengthen the focus on additional support for learning within the LGBF. There has been a 41% growth in the number of pupils in need of additional support for learning since 2017-18. This includes a 62% increase in the number of pupils in mainstream secondary education, where 43% of all pupils now have identified additional support needs. Councils have increased their expenditure for additional support for learning to respond to the growing level of need, increasing by 25% in real terms across all education, and by 53% within secondary education. This is an area of increasing priority for the local government sector with councils working more closely than ever with partners to ensure children have access to the support they require to help them achieve their potential. There are also growing concerns about the financial pressures arising from the record numbers of pupils identified with additional support needs and the capacity within the sector to respond. This concern is not limited to education related services, but also relates to the financial pressures that then migrate into adult services, but without any budget following on. It will be important that any developments in this area align closely with work being taken forward by the [Additional Support for Learning Project](#) Board in relation to a National Measurement Framework for Additional Support Needs. It is anticipated

that this framework will “provide clearer insights into data currently utilised to understand ASN in Scottish schools, improve the consistency of identification, and track the progress of children and young people with ASN”.





## 5. Tackling Poverty and Financial Hardship

Poverty is a significant social determinate for adverse outcomes in life. Over 21% of Scotland's population are now living in relative poverty,<sup>17</sup> including 24% of children in Scotland.<sup>18</sup> The ongoing cost-of-living crisis has exacerbated the financial hardship experienced by low-income households. Escalating inflation, marked by rapidly increasing energy costs, food costs and other consumer goods prices, along with the diminishing value of core UK-wide benefits, is making it more difficult for financially vulnerable households to make ends meet and with this is increasing demand on council services. The impact is being borne unequally, with the most vulnerable in society most severely affected.

Tackling poverty and financial hardship is a key priority for local government. Local government plays a vital role in delivering essential services to families in financial need, providing advice, allocating financial assistance, and working with key partners locally to create tailored solutions. While local authorities remain strongly committed to tackle poverty, LGBF data reveals the deepening fiscal, workforce and demand pressures facing councils and highlights the risks these pose to the future sustainability of vital services, including those that are essential in preventing and mitigating the effects of poverty.

Recognising the importance of the support that councils provide in this vital area, and the challenges currently being faced, the LGBF Board decided that this should be the focus of the pilot phase for local government's Peer Collaborative Improvement approach. Using the LGBF as a cornerstone, this approach brings local government peers together to support improvement in priority areas through working collaboratively and sharing learning and practice. This chapter provides further detail on the learning and service improvements delivered through the pilot approach.

### Scottish Welfare Fund

Councils administer the Scottish Welfare Fund (SWF) 'to provide a safety net to people on low incomes' through the provision of grants. The SWF includes two types of grants: Crisis Grants, which aim to help people on a low income who are in crisis because of a disaster or an emergency and Community Care Grants (CCG), which aim to enable people to live independently. The most common reasons for applications to the SWF are families facing exceptional pressure.

<sup>17</sup> [Poverty and Income Inequality in Scotland 2020-23, An Accredited Official Statistics Publication for Scotland](#)

<sup>18</sup> % of children who are in households with incomes net of housing costs that are below 60% of the median in the local authority area

Such circumstances cover events where benefits or other income is exhausted, the occurrence of unexpected expenses, and 'other' reasons increasingly relating to the cost-of-living crisis. Awards are commonly made to provide immediate financial assistance to households to buy food, floor coverings, beds, bedding, and kitchen appliances, as well as covering unanticipated spend such as essential heating expenses and other living expenses. The current context of rising prices and erosion in value of benefits has created a situation where more people are running out of money for essentials on a regular basis.

After significant growth in the demand on the SWF since 2013/14, with spend and applications increasing by around 100%, this appears now to have peaked with demand falling back in 2023/24. Total spend on SWF grants peaked at £56 million in 2022/23, in response to over 383,990 applications. The volume of applications and overall spend on grants reduced in 2023/24 by around 10%.

It is important to note that relative demands for SWF in some areas may be mitigated to some extent by the discretionary grants offered by councils. These reliefs will not fall evenly across councils and they are targeted towards specific local issues. In most cases, they will have sought to manage financial hardship. Despite such action being taken, the demands for support remain high, and capacity continues to be pressured, particularly as the same teams often deliver both these local initiatives and SWF grants.

**Table 9: Scottish Welfare Fund Expenditure**

	2013-14	2019-20	2020-21	2021-22	2022-23	2023-24	Change since 2013-14	Change since pre-Covid	Change since 2022-23
SWF Spend	£28.7M	£37.6M	£49.5M	£54.1M	£56.M	£49.9M	74.0%	41.6%	-10.9%
CCG Applications	58,020	77,900	84,900	90,220	94,480	86,965	49.9%	22.4%	-8.0%
CCG Awards	35,875	42,260	48,035	48,695	48,825	41,680	16.2%	3.0%	-14.6%
Crisis Applications	114,525	222,070	271,570	267,925	291,585	259,985	127.0%	34.5%	-10.8%
Crisis Awards	81,995	140,360	188,350	175,490	185,995	160,675	96.0%	28.4%	-13.6%
SWF Applications	172,545	299,970	356,470	358,145	386,065	346,950	101.1%	31.2%	-10.1%
SWF Awards	117,870	182,620	236,385	224,185	234,820	202,355	71.7%	22.2%	-13.8%
% SWF Budget Spent	87.0	107.8%	83.2%	115.2%	130.0%	128.9%	42.0pp	29.0pp	-1.1pp

*Note: Data in this table is sourced from the Scottish Government Scottish Welfare Fund Statistics. This dataset is revised quarterly so may not match the most current publication. Data is correct as of September 2024 publication.*

This sharp growth in demand for SWF grants has impacted on the speed with which grants are allocated as can be seen in Table 10. It is worth noting that during the pandemic, councils were also responsible for processing large numbers of applications for Self-isolation Support Grants alongside an unprecedented number of new funding streams, which impacted on their capacity to deal with SWF applications alongside other, new priorities.



Furthermore, as non-statutory services, these functions have been in scope for significant capacity reductions due to budget savings.

**Table 10: Processing of Scottish Welfare Fund Grants**

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Change since 2018-19/pre-Covid	Change since 2022-23
SWF Crisis Grants – Decisions within 1 Day	95.50%	95.25%	93.75%	93.25%	91.75%	94.00%	-1.5pp	2.3pp
SWF Community Care Grants – Decisions within 15 Days	89.50%	82.25%	84.50%	85.75%	87.25%	83.25%	-6.3pp	-4.0pp

In 2023/24, councils continued to spend significantly more than the SWF budget allocated to them (129%). Local authorities can top up the SWF budget with their own funds, and the overspend in recent years reflects other funds that councils have brought forward to deal with poverty and growing levels of financial hardship within their communities. The variation in local data reveals the different approaches being adopted to respond to local pressures on spend, with some authorities capping their provision and prioritising awards to the most compelling cases to manage budget overspends. This will be particularly pertinent in relation to the cost-of-living crisis which is seeing demand spike both for more compelling cases as well as less urgent levels of need. The point at which the SWF budget is exhausted is falling earlier in each financial year, at which point councils must evaluate whether to shift eligibility to manage the drawdown and the consequential impact on finances.

### Peer Collaborative Improvement – Scottish Welfare Fund

Peer Collaborative Improvement (PCI) represents a maturing in local government's approach to sector led improvement, and a significant shift towards self-improving councils. The approach provides an opportunity for local government to build on existing sector-led approaches to improvement and accountability, including the LGBF and Self-Assessment. This approach is fully supported by the wider local government sector, with endorsement from Solace and COSLA Leaders.

This important new approach demonstrates clear links with the Local Government Transformation Programme to realise the full benefits of Crerar for local government. This approach is also a vital element of the [Scottish Local Government Assurance and Improvement Framework](#), which sets out the current 'architecture' that exists in relation to council and local government body improvement and assurance (including self-assessment, sector led improvement, audit, scrutiny, inspection, and reporting).

Full detail of the [PCI process](#) is available here. The PCI approach has been informed by the well-established approach to collaborative improvement developed by ADES

and Education Scotland. It also reflects learning from previous work the IS undertook on peer review.

The benefits of the PCI approach for local government are as follows:

- Peer Collaborative improvement is managed and delivered by the sector for the sector, and our ambition is for all 32 local authorities to adopt the approach as a key part of their improvement architecture. It supports local government to deliver sector-led improvement in a range of service/policy areas.
- It encourages a sense of collective responsibility for the performance of the sector as a whole, with local authorities actively supporting each other to improve by sharing learning and practice.
- It helps build a national overview of common themes facing key service areas, which can feed into future policy-making and decision-making, including identifying opportunities for service transformation at a national, regional and local level

Delivery of the Scottish Welfare Fund was selected as a pilot for the PCI in recognition of the increasingly vital role councils play in their local communities in delivering key services to families in financial need.

The process is data led, using the LGBF to identify areas where improvement is required, and where peer collaborative improvement could be offered as an approach to help tackle performance challenges which exist. The Scottish Welfare Fund pilot involved Falkirk Council as the host authority, and Inverclyde, East Renfrewshire and Midlothian councils as the Peer Reviewers. COSLA also participated on the peer review team, helping to strengthen links between local practice and national policy development.

PCI is voluntary. It is a supportive and collaborative process facilitated by the Improvement Service, led by the host local authority and carried out by peer reviewers from other local authorities, who have the necessary subject expertise to understand and drive improvement. Peer reviewers assumed the role of 'critical friend', supporting the improvement process within the host local authority by:

- Providing a 'critical friend' assessment of the service or area of activity being reviewed;
- Identifying areas for improvement, based on their own knowledge and expertise;
- Sharing learning, ideas and good practice; and
- Supporting the host local authority to develop its capacity to achieve sustainable improvements.

Following a positive PCI process, the host authority identified a range of actions to drive improvement in their delivery of the Scottish Welfare Fund for their local



community. The evaluation from the pilot offered valuable learning which we have used to adapt our approach as we embark on further pilots. It also provided clear evidence of the value gained during the Scottish Welfare Fund pilot, both for the host authority and for the peer reviewers.

Participants said:

*“It was a real chance to review and improve on the way the Scottish Welfare Fund worked within the Council. Because it was being peer reviewed externally it was through fresh eyes with no real pre-judgements or answers.”*

*“We had already thought of and discussed with the team some of the suggestions made already - however a lot of these changes were not acted on (change can be painful and the status quo is often reverted back to). The fact that other authorities showed how these can work and aid staff greatly in their task and role was fantastic.”*

*“The willingness from all involved to develop and provide the best service for its users. The host authority firstly with the ‘buy in’ from all levels from frontline staff to management and the willingness to improve. This also was apparent from the review team authorities, in that although they were selected due to their high performance, it was clear that all involved were happy and willing to review their own provision, what works and how, what could be done better and taking note of other points that could still provide benefits to their own service. The willingness from all to improve what they do.”*

## Discretionary Housing Payments

Further evidence of the financial hardship being experienced by local communities can be seen in the growing level of spend on Discretionary Housing Payments (DHP). These payments are administered by councils to households who require financial assistance towards their housing costs and are an important tool to prevent homelessness and help struggling households to sustain tenancies. Since 2017, when responsibility for DHP transferred to Scottish Government, there has been an increase of 43% in the DHP spend. Up to and including 2023/24, levels of spend have been significantly higher than pre-pandemic levels, with DHP spend increasing by 35.9% since 2019.

**Table 11: Discretionary Housing Payment Expenditure**

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Change since 2017-18	Change since pre-Covid	Change since 2022-23
DHP Spend	£59.2M	£62.5M	£66.0M	£76.5M	£78.9M	£79.4M	£84.9M	43.3%	35.9%	6.9%
% DHP Budget Spent	101.2%	102.6%	104.5%	97.2%	96.0%	94.4%	101.0%	-0.2 pp	-1.6 pp	6.6pp

In 2023/24, the majority of DHP Funding was spent mitigating the removal of the Spare Room Subsidy (£70.4 million, 83.0%), with a smaller proportion used to support claimants affected by the benefit cap (£3.5 million, 4.1%) and the freeze in Local Housing Allowance which was still ongoing in 2023-24 (£3.7 million, 4.4%). A further £6.6 million (7.8%) was spent on core (non-welfare reform) awards and around £627,000 (0.7%) on awards that covered a combination of purposes. Local authorities continued to spend a smaller proportion of their funding on the Benefit Cap than the allocated funding for this purpose, although this has increased significantly from £2.5 million to £3.5 million in 2023/24, an increase from 29% to 57% of the allocated budget. Conversely, local authorities continued to spend significantly more than the £4.2 million estimated allowance for core funding (157%, £6.6 million).<sup>19</sup>

In 2023/24, there has been an increase in the overall proportion of allocated DHP budget which has been spent, increasing from 94.4% in 2022/23 to 101%. In 2023/24. Because of the rollover of funds from 2022-23 of £3.9 million, local authorities are not out of pocket. Although there is considerable variation across local authorities, it is likely that the increased fund size, the timing of the provision of the additional allocation, and Covid related delays in processing DHP have influenced the underspend in previous years..

## Rent Arrears and Council Tax Collection

The financial challenges facing local communities are further evidenced by

<sup>19</sup> <https://www.gov.scot/publications/discretionary-housing-payments-in-scotland-1-april-2023-to-31-march-2024/pages/background/>

increasing levels of debt experienced by households. This includes both the long-term growth in housing rent arrears and the recent increase in council tax debt.

**Table 12: Rent Arrears**

	2013-14	2019-20	2020-21	2021-22	2022-23	2023-24	Change since 2013-14	Change since pre-Covid	Change since 2022-23
Rent Arrears	5.6%	7.3%	8.2%	8.7%	9.6%	9.5%	3.9pp	2.2pp	-0.1pp

Rent arrears remain close to an all-time high at 9.5% of rent due. Although there has been a slight levelling out in the data in 2023/24, this follows a disproportionate increase in 2022/23. Levels remain 2.2pp higher than pre-Covid levels of 7.3%, and 3.9pp higher than the 5.6% recorded ten years ago in 2013/14.<sup>20</sup>

The statutory five-week wait for Universal Credit and the underlying inadequacy of support against current cost-of-living pressures may be contributory issues in relation to rising rent arrears. Despite recent uplifts in Universal Credit in line with CPI inflation and additional support to low-income families, these are unlikely to fully compensate for the additional costs associated with high inflation. These interventions also do not address the legacy of austerity, which meant that many households entered the cost-of-living crisis from a starting point of financial hardship, with working-age benefits frozen or restricted for a number of years. With the additional cost-of-living payments ending in 2023/24, this could lead to households falling even further from being able to meet the cost of living.

It is important to note that some of the rise in rent arrears observed during the pandemic years reflects the temporary ban on enforcing eviction orders introduced as part of the Covid response, and the ability of Housing Officers to effectively engage with tenants during restrictions.

The level of rent arrears remains highest in those council areas serving communities with lower overall levels of deprivation (11.1% compared to 8.3% for the most deprived areas). It may be that households in the most deprived areas are more likely to receive benefits which cover their full rent costs, and therefore face less challenge in their affordability compared to those who are receiving support but working. This is an area where further exploration and analysis would be helpful to fully understand this trend.

Beyond the immediate impact on some individuals and families, the continued increase in arrears will result in the loss of rental income for councils where debts are ultimately written off and impaired debt is accrued. As councils also face future reductions in their capital budgets, this further loss of income may

<sup>20</sup> Note: For Housing Services, the data source for LGBF indicators is the Scottish Housing Regulator. There will be differences with Scottish Government Housing Revenue Account statistics due to definitions used

have a significant impact on capital works programmes, including long-term implications for future investment in affordable housing, a key antipoverty measure. This follows on from curtailed planned investment programmes during Covid and could further undermine efforts to meet local and national targets for affordable housing at a time when a number of councils have declared a housing emergency amid mounting pressures on homelessness services.

**Table 13: Council Tax Collection Rates**

	2010-11	2019-20	2020-21	2021-22	2022-23	2023-24	Change since 2010-11	Change since pre-Covid	Change since 2022-23
Council Tax Collection Rates	94.7%	95.8%	94.8%	95.7%	96.2%	95.5%	0.7pp	-0.3pp	-0.7pp

*Note: Council Tax collection rates refer to 'in-year' collection rates*

Council tax debt has also increased over the cost-of-living crisis. Council tax collection rates have fallen in 2023/24, providing recent evidence of the financial challenges facing our communities. This fall occurs after collection rates were artificially boosted in 2022/23 as a result of the Scottish Government's £150 Cost of Living Award which was allocated directly to Council Tax accounts as targeted relief by the majority of councils. As this award was available only for 2022/23, the impact on collection rates was temporary in nature. This fall in collection rates is supported by [growing evidence](#) from debt services that cases of, and amounts of, council tax debt have increased over recent years, and that cases are becoming more complex.

It is increasingly low-income households who have council tax arrears. While the reduction in collection rates is evident for all 32 councils, the scale of the reduction is most notable for councils serving the most deprived communities. The collection rate for councils serving the most deprived communities is now 94.2% compared to 96.5% in the least deprived communities. The method of payment is important in understanding the pattern of variation, with higher collection rates in areas with higher levels of Direct Debit payment compared to those more deprived communities with higher levels of cash payments. This longer-term trend highlights the need for digital inclusion to be at the heart of efforts to tackle poverty. It will be critical to closely monitor collection rates in the years ahead to understand the potential impacts of the cost-of-living crisis on the ability of households to pay council tax, and the extent to which cost of-living payment and other initiatives, including the Council Tax freeze in 2024/25, will be able to mitigate against this.

## Future Priorities

Councils will continue to prioritise tackling poverty at the heart of their strategic commitments. Joint working, including with third sector partners is central to this, with the role of Community Planning Partnerships pivotal. Councils are working

closely with cross-sector partners to understand and develop place-based plans to tackle inequalities and to mitigate the impact of the current, and sustained, pressures being faced by the families, businesses and communities they serve. This will involve prioritising measures aligned to local need such as:

- Bolstering existing provisions - Covering overspends in areas such as the Scottish Welfare Fund and Crisis Grants. Maintaining awards without prioritising spend. Allocating additional funding backed by reserves.
- Debt recovery - There may be additional considerations around the extent to which the council actively pursues debt. There have been national conversations about school meal debt and whether this could be written off. This may extend to recovery within council tax or within commercial properties.
- Housing Support - Where councils have a housing stock there may be considerations regarding rent uplifts, energy vouchers, debt recovery and promoting links to existing council programmes on tenant support.
- Making Best Use of Council Facilities - Working with Leisure Trusts, Health & Social Care Partnerships and volunteer groups to develop Warm Hubs over winter months. This could be aligned to extending provisions within leisure facilities, libraries or other community facilities for free, or extended use (which would have been heated anyway) and reduced meal prices.
- Extending Grants to Voluntary Organisations - Providing additional support to third sector networks such as the Citizens Advice Bureau and volunteer groups to enable them to extend provisions locally and signpost clients to better access financial and other support.
- Welfare Advice and Health Partnerships – Working with GP practices to provide access to money and rights advice in health care settings, including providing advice to help people cope with the cost-of-living crisis.

It should also be noted that work to mitigate the impact of an increased cost of living is only one aspect of local government's approach to tackling poverty and inequality. Partners are taking an increasingly preventative, strategic approach to redressing wider imbalances and support low-income households towards holistic services and employment opportunities. This includes consideration of the impact that factors such as housing, transport, childcare and economic development have on ensuing households can thrive. [Local child poverty action reports](#), published annually by councils and health boards provide a useful insight into this commitment.

It will be particularly important to fully understand what impact the current housing emergency will have on councils' role as a social landlord or in working



in partnership with social landlords. The role that social housing can play in reducing poverty is well recognised. Social housing provides affordable, high-quality, secure and stable housing to people with low incomes and can help lift people out of poverty. The national and local housing emergencies which have been declared highlight a chronic lack of affordable, safe and stable housing, which are in turn fuelling homelessness. This is an area where further analysis and exploration will be prioritised in future reports.



## 6. Performance of Local Government Services

There is clear evidence that local government performance improvement has slowed in recent years. This follows a decade where considerable progress has been achieved against an increasingly challenging context. While the recent slow-down in performance improvement is system wide, and true for all councils regardless of local priorities and the policies they are pursuing, there is variation in the depth, severity and focus of impacts. For example, those councils who serve the most deprived communities generally report a greater slow-down in performance improvement compared to other councils.

The long-term picture of council service performance remains positive, with 68% of performance indicators within the LGBF showing improvement since the base year. In recent years, however, year on year trends show a slowing in this improvement, and an increase in the number of performance indicators which are now declining. In the last two years, the rate of decline has overtaken the rate of improvement (45% compared to 39% respectively).

This is not unexpected. Councils are having to make increasingly difficult decisions about the shape and level of service delivery which are beginning to have a clear impact on performance and efficiency improvements gained in previous years. These include:

- Where to target disproportionate and substantial budget reductions within non-statutory service areas in light of growing ring-fencing.
- Where to reduce or ration service provision as part of continued efforts to achieve efficiencies.
- How to sustain services with insufficient staff with the appropriate experience, skills, and qualifications to deliver services to the level needed due to workforce pressures.
- Where to reduce capital investment programmes, undermining their ability to deliver local priorities and commission work in key areas, e.g. Net Zero targets and transformation plans which are essential for improved outcomes for local communities.
- How to retain focus on prevention and longer-term outcomes, given the immediate pressure to deliver unprecedented savings many of which could have long-term implications.
- How to ensure the absorption of higher levels of risk by councils does not further undermine the future sustainability of essential services.

The data on council service performance provides a stark warning on the future resilience of essential council services. If the current trend continues, the improvements and progress that has been achieved thus far, could potentially be lost and council service performance may start to decline over the longer-term. This will have serious implications in relation to access to frontline essential services for our communities.

Responses by councils continue to exemplify the importance of 'local' with local solutions and responses to local needs and issues, varying both between and within authorities. A range of interconnected factors will be important in shaping the variability observed in the data, including:

- Local priorities and strategic direction
- Local capacity in terms of infrastructure, workforce, digital maturity, and partnership context
- Local pattern of demand and need, including the demographic and socioeconomic profile of local communities
- Local geography, including the level of remoteness and population density
- Local approaches to innovation; redesign; and transformation
- Local economy and marketplace

Tailoring services to the needs of local people and communities is a key function of local democracy and needs to be considered when comparing performance. This variety in approach gives opportunities to learn and innovate. This has been a period of historic change and it is essential we take time to evaluate and learn from each other to inform the future design, delivery and shape of services.

## Performance Trends and Impact on Service Areas

While the overall picture points to a slow-down in performance improvement, there are a number of long-term improvement trends which have been sustained and strengthened in policy critical areas. These include:

- Attainment both at senior phase and at primary level
- Positive destinations and participation in education, training or employment for 16–19-year-olds
- Growth of direct payments and managed personalised budgets within self-directed support in social care
- The proportion of older people with long-term care needs who are receiving personal care at home

- CO2 emissions (area wide, and corporate electricity and gas emissions)
- Household recycling rates
- Library and museum visitor numbers
- Local procurement spend
- Roll out of superfast broadband
- The gender pay gap
- Local government corporate asset condition.

While some of these areas did see a temporary Covid-related decline, they have since seen their long-term improvement trend recover.

There are, however, areas where a clear long-term improving trend has shown recent decline. It is unclear whether this decline is temporary in nature, perhaps resulting from Covid or the cost-of-living crisis, or whether it is indicative of the start of a more sustained trend. This covers a range of different services and includes:

- children's development
- pupil exclusion rates
- placement stability for children who are being looked after
- housing quality and repair times
- Council Tax collection rates
- visitor numbers for sports and leisure facilities
- receipt of the living wage
- processing of business planning applications
- condition of the roads network.

In those service areas where there were already signs of strain prior to the pandemic, this picture has largely continued, and in some cases has worsened. Areas experiencing a longer-term declining trend include:

- council staff absence
- housing voids
- rent arrears



- delayed discharges and hospital readmission rates
- Business Gateway start-ups
- processing of Scottish Welfare Fund Crisis Grants.

Of further concern, is the declining level of satisfaction with council services amongst the public. This is true for all service areas with the exception of parks and open spaces, and more recently, refuse collection. The decline is evident for almost all councils, although it is important to note that a couple of councils have seen their satisfaction improve over the longer term. Public expectations have not reduced despite the reduction in local government resources and increased demand due to demographic and other change. These trends relate to satisfaction for the public at large rather than for service users. It should be noted that satisfaction rates for service users are consistently higher than those reported by the general population.

**Table 14: Public satisfaction with council services**

Yearly data	2010-11	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Change since 2010-11	Change since pre-Covid	Change since 2022-23
Schools	83.1	73.0	70.0	72.5	73.0	78.0	74.0	69.0	69.0	-14.1pp	-4.0pp	0.0pp
Libraries	83.5	73.0	72.0	72.1	73.0	78.0	71.0	64.0	66.0	-17.5pp	-7.0pp	2.0pp
Parks & Open Spaces	83.1	87.0	85.0	82.5	83.0	91.0	88.0	83.0	84.0	0.9pp	1.0pp	1.0pp
Museums & galleries	75.5	70.0	69.0	68.9	70.0	75.0	74.0	65.0	69.0	-6.5pp	-1.0pp	4.0pp
Leisure facilities	74.6	73.0	72.0	69.3	69.0	77.0	71.0	65.0	65.0	-9.6pp	-4.0pp	0.0pp
Refuse collection	81.0	79.0	75.0	75.0	73.0	78.0	77.0	79.0	79.0	-2.0pp	6.0pp	0.0pp
Street Cleaning	73.3	70.0	66.0	62.9	59.0	58.0	59.0	58.0	57.0	-16.3pp	-2.0pp	-1.0pp

*Note: As a result of the change in methodology, the lower response rates, and the change in the profile of respondents compared to typical survey years, the results for 2020/21 and 2021/22 are not comparable to earlier or later years. While annual data is presented here, within the LGBF, 3-year rolled averages are used to boost sample sizes and improve levels of precision at local levels. The data in this table will differ therefore from data within the LGBF dashboard.*

As noted previously, it is vital for local government to work closely with communities to communicate the impact of growing fiscal, demand and workforce pressures on local services and to shape local priorities. This wider discussion should consider whether current expectations of public services are realistic in the context of such changing conditions. As councils respond to increasing levels of need and demand, within ever tightening budget constraints, it is important that expectations in relation to local government priorities and performance adapt to reflect the dynamic circumstances councils are operating within.

## Strengthening the LGBF Basket of Indicators

There are important policy areas where our ability to provide a more comprehensive focus within this report is limited, either by the coverage within our current suite of LGBF indicators or by the timeliness of the data. Building further on work already underway to strengthen the framework in relation to climate action and financial sustainability, the LGBF Board will work closely with stakeholders in the period ahead to bring greater focus to the following three strategically important areas.

- 1. Housing.** Thirteen housing emergencies have now been declared locally by councils, covering over half of the Scottish population. Record homelessness figures have been published recently, highlighting that the number of people in Scotland living in temporary homeless accommodation is at a record high, and includes more than 10,000 children.

Given these worrying figures, there would be value in the LGBF strengthening the focus it provides on the local and national challenges to housing supply and in the delivery of homelessness services. With the support of the Association of Local Authority Chief Housing Officers (ALACHO), the LGBF Board will consider where there may be value in extending the suite of measures to improve our understanding of the drivers for the housing emergency, and to support councils in their development of short and long-term responses to this.

- 2. Economic Development.** The work of local authorities in promoting and delivering economic wellbeing for their communities is vital, particularly in relation to the cross-cutting themes of community wealth building, placemaking, tackling inequality, achieving net zero, and building a strong digital economy. The LGBF Board will work with Scottish Local Authorities Economic Development Group (SLAED) to explore how the LGBF suite of economic development measures might evolve to better capture these priorities and support councils in their critical work in this area.
- 3. Culture and Leisure.** The new [Physical Activity for Health – Scotland's National Framework](#) takes an evidence-based, whole system approach to physical activity and sport, providing a clear and strong focus on the preventative benefits to population health. The LGBF Board will work closely with COSLA, professional associations and local authorities to explore how we can strengthen the LGBF coverage in this area to provide a stronger understanding of, and to drive improvement in, local government's contribution to physical activity and health in Scotland.



# Conclusion

This year's report evidences the impact of deepening fiscal, workforce and demand pressures on local government services and the communities they serve. While it reveals the extraordinary effort and achievements delivered across local government against an increasingly challenging backdrop, it also shows how these sustained pressures, on top of the impact of the current economic environment, have disrupted performance and efficiency improvements gained in previous years.

It is likely that some of these effects will be felt for a long time to come. Coupled with the demand and budgetary pressures facing councils currently, councils may be required, in the short-term, to focus more on prioritising and maintaining performance, rather than service improvement.

In recognition of these pressures, local government, as a sector, is taking clear pro-active steps to mitigate the effects of these challenges. Councils are increasingly incorporating digital technology in service design and are making better use of data to understand needs, make decisions and direct resources. There has also been a significant reconfiguring and repurposing of the local government estate. Councils have adopted a collaborative leadership approach, particularly in their work with partners, third sector and communities as they work together to build place-based approaches. New ways of working have involved flexibly redeploying staff, investing in the health and wellbeing of the workforce, and a renewed emphasis on workforce planning and development workforce capacity and skills. And lastly, there has been an increased focus on areas of greatest priority and demand and supporting the most vulnerable within our communities.

To further build on these approaches, and to ensure the ongoing sustainability of services, local government has committed to a significant programme of sector led performance improvement and transformation. While councils are clear on the urgent need for transformational change, they are mindful of the challenges faced in achieving this whilst also delivering vital services. It is important that this burden of transformational change should not fall on local authorities alone given the need for wider public service reform.

Important elements of local government's sector led performance improvement and transformation programme include:

## 1. Scottish Local Government Assurance and Improvement Framework

The recently launched [Scottish Local Government Assurance and Improvement Framework](#) (SLGAIF) sets out the current 'architecture' that exists in relation to



council and local government body improvement and assurance, including self-assessment, sector led improvement, audit, scrutiny, inspection, and reporting.

This framework provides an opportunity for local government to build on and articulate its existing sector-led approaches to improvement and accountability, including the LGBF; Self-Assessment; the Local Government Data Platform; and the Local Government Transformation Programme. The SLGAIF helps local government demonstrate as a sector that it has robust arrangements in place for reviewing its own performance and focusing on improvement.

As local government looks to mature its approach to sector led improvement as set out in this framework, it is important that it continues to work closely with Scottish Government and audit and inspection bodies to ensure the full benefits of Crerar can be realised. The focus is to negotiate a shift towards greater maturity in self-improving councils, alongside a corresponding commitment to reduce the inspection and reporting burden. Therefore, as local government matures and increases its emphasis on peer led improvement and self-evaluation, it will release its capacity to focus on local accountability rather than servicing national accountability. As the local government sector works with partners to shape the external audit and inspection landscape, the SLGAIF will be an important resource to help to build trust and common understanding between local Government, Scottish Government and public sector scrutiny bodies.

## 2. Peer Collaborative Improvement

[Peer Collaborative Improvement](#) (PCI) represents a maturing in local government's approach to sector led improvement, and a significant shift towards self-improving councils. The approach provides an opportunity for local government to build on existing sector-led approaches to improvement and accountability, including the LGBF and self-evaluation. There has never been a greater requirement for working with and learning from each other, and the LGBF provides the essential platform to support councils in this. The PCI approach will enable local government, with the support of the LGBF Board, to use the data highlighted in this report to prioritise opportunities to work together to drive performance improvement.

This important new approach demonstrates clear links with the Local Government Transformation programme to realise the full benefits of Crerar for local government. Peer Collaborative Improvement is also a vital element of the Scottish Local Government Assurance and Improvement Framework outlined above.

Full detail of the [PCI process](#) is available here, including details of the pilot processes which are currently sharing practice and learning in relation to the delivery of the Scottish Welfare Fund and in tackling housing voids.



### 3. The Local Government Transformation Programme

The [Solace/IS transformation programme](#) strives to carve out a local government-led route to reform that drives a call to action for system wide dialogue and leads tangible tests of change. The 2022 think piece '[Delivering a Future for Scottish Local Authorities](#)', published in 2022, identified the following six transformation anchors which provide a springboard for development:

1. Unlocking community action
2. Enable a functioning, trusted local and central government relationship
3. Design for people's needs
4. Create digital, design and technology-enabled transformation
5. A focus on people through a public sector plc that tackles inequality at the root in order to improve everyone's life chances
6. Lead council and cross-sector partnerships with a focus on outcomes

The programme is well underway, and comprises of three workstreams:

- **Workstream 1:** Officer-led dialogue and direction on public service reform
- **Workstream 2:** Six short-term local government transformation projects
- **Workstream 3:** The Leadership Practitioner Forum to build capacity and leadership for those tasked with leading change.

All workstreams are progressing from discovery to development and delivery having identified short- and long-term priorities that will contribute to the scaffold of collective transformation. With activities ranging from the development of National Frameworks for Self -Assessment, centralised digital service solutions and initiating pilots for collaborative procurement exercises, local authorities will be invited to both inform and test new solutions over the coming period. Full detail and live updates on progress is available on the [Improvement Service website](#).

In their thematic report '[Transformation in Councils](#)' published in October 2024, the Accounts Commission made significant reference to the Local Government Transformation Programme and recognised the efforts as *"The main sector-led piece of work currently under way to help councils reform how they deliver services ..... focused on developing proposals for a future operating model for councils and options for the delivery of sustainable council services"*.

Giving rise to both opportunity and expectation for the work, the Commissions' report set clear expectations for *"individual councils to prioritise and urgently*

*progress the delivery of their local transformation ambitions and engage effectively in sector led transformation activity, securing political backing and committing resources”*. In their report, however, the Commission also emphasised that councils could not deliver this alone as it requires effective collaboration between central and local government as well as with third sector partners. It also noted that transformation will not happen overnight, but must take place over the longer term, something that will not be easy given councils’ need to continue to deliver services.

## Appendix

### Overview Table for all LGBF Data 2023-24

Full data and metadata, including data sources for all indicators is available via [LGBF Dashboard](#)

Note: The majority of data for LGBF indicators is financial year, however some indicators are calendar or academic year. Detail on the reporting period for each indicator is provided in the metadata data within the LGBF dashboard.

Indicator Description										
		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	%/value change pre-Covid to most recent year	%/value change 2022-23 and 2023-24
Children's Services	Cost per primary school pupil	£6,233	£6,375	£6,678	£6,875	£6,999	£7,221	£7,213	8.0%	-0.1%
	Cost per secondary school pupil	£8,588	£8,713	£8,956	£8,898	£8,729	£8,966	£8,957	0.0%	-0.1%
	Cost per pre-school education registration	£5,535	£6,110	£8,027	£10,777	£11,385	£11,613	£11,659	45.3%	0.4%
	% of pupils gaining 5+ awards at level 5*	64	64	68	70	68	66	67	3.0	1.0
	% of pupils gaining 5+ awards at level 6*	36	36	40	42	39	38	39	3.0	1.0
	% of pupils from deprived areas gaining 5+ awards at level 5 (SIMD)*	45	46	49	53	50	50	50	4.0	0.0
	% of pupils from deprived areas gaining 5+ awards at level 6 (SIMD)*	18	19	22	24	22	22	23	4.0	1.0
	The gross cost of "children looked after" in residential based services per child per week	£4,374	£4,664	£4,572	£5,167	£5,284	£5,071	dna	10.9%	-4.0%
	The gross cost of "children looked after" in a community setting per child per week	£415.26	£417.71	£413.87	£445.50	£449.67	£445.74	dna	7.7%	-0.9%
	Balance of care for looked after children: % of children being looked after in the community	89.6	89.8	90.1	90.4	89.9	89.2	dna	-0.9	-0.7
	% of adults satisfied with local schools	70.0	73.0	73.0	78.0	74.0	69.0	69.0	-4.0	0.0
	Proportion of pupils entering positive destinations*	94.6	95.0	93.3	95.5	95.7	95.9	95.7	0.9	0.2
	Overall average total tariff	894	895	925	963	972	918	917	2.5%	-0.2%
	Average total tariff SIMD quintile 1*	620	627	645	679	691	661	658	4.9%	-0.5%
	Average total tariff SIMD quintile 2*	752	742	754	807	818	783	762	2.7%	-2.7%
	Average total tariff SIMD quintile 3*	899	875	901	965	957	908	889	1.6%	-2.1%
	Average total tariff SIMD quintile 4*	1019	1015	1025	1099	1105	1054	1049	3.3%	-0.5%
	Average total tariff SIMD quintile 5*	1224	1195	1236	1310	1310	1268	1260	5.4%	-0.6%
	% of children meeting developmental milestones (27-30 months)	84.6	85.5	85.7	85.1	82.2	82.1	dna	-3.6	-0.1

Indicator Description										
		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	%/value change pre-Covid to most recent year	%/value change 2022-23 and 2023-24
Children's Services	% Funded early years provision rated good/better	91.0	90.6	90.2	90.9	89.4	90.1	89.8	-0.1	-0.3
	School attendance rates*	-	93.0	-	92.0	-	90.2	90.3	-2.7	0.1
	School attendance rates (looked after children)*	-	86.8	-	87.9	-	84.4	dna	-2.4	-3.5
	School exclusion rates*	-	21.7	-	11.9	-	16.6	dna	-23.5%	39.5%
	School exclusion rates (looked after children)*	-	152.2	-	77.8	-	96.9	dna	-36.3%	24.6%
	Participation rates for 16-19 year olds	91.8	91.6	92.1	92.2	92.4	92.6	92.7	0.6	0.1
	Child protection re-registrations within 18 months*	6.0	7.2	6.9	7.0	8.0	5.6	dna	-1.6	-2.4
	% of looked after children with more than 1 placement in the last year*	20.1	19.5	16.7	16.8	16.0	17.2	dna	-2.3	1.2
	% of children living in poverty (after housing costs)	20.6	20.1	21.6	19.8	21.5	21.8	dna	0.2	0.3
	% of P1, P4 and P7 pupils combined achieving expected CFE Level in Literacy*	-	72.3	-	66.9	70.5	72.7	74.0	1.7	1.3
	% of P1, P4 and P7 pupils combined achieving expected CFE Level in Numeracy*	-	79.1	-	74.7	77.9	79.6	80.3	1.2	0.7
	Literacy Attainment Gap (P1,4,7 Combined) - percentage point gap between the least deprived and most deprived pupils*	-	20.7	-	24.7	21.3	20.5	20.2	-0.4	-0.2
	Numeracy Attainment Gap (P1,4,7 Combined) - percentage point gap between the least deprived and most deprived pupils*	-	16.8	-	21.4	17.8	17.0	17.4	0.6	0.5
Corporate Services	Support services as a % of total gross expenditure	4.5	4.3	4.0	4.0	4.1	4.0	4.1	0.1	0.0
	% of the highest paid 5% of employees who are women	54.6	55.5	56.7	58.1	59.0	58.9	59.8	3.1	1.0
	The gender pay gap (%)	3.9	4.2	3.4	3.7	3.5	2.5	1.7	-1.7	-0.8
	The cost per dwelling of collecting council tax	£9.18	£8.42	£7.85	£7.72	£7.30	£7.22	£5.89	-24.9%	-18.4%
	Sickness absence days per teacher	5.9	6.2	6.4	4.1	5.8	6.8	7.6	20.2%	12.5%
	Sickness absence days per employee (non-teacher)	11.4	11.5	11.9	9.6	12.2	13.3	13.9	16.7%	4.6%
	% of income due from council tax received by the end of the year	96.0	96.0	95.8	94.8	95.7	96.2	95.5	-0.3	-0.8
	% of invoices sampled that were paid within 30 days	93.2	92.7	91.7	91.8	92.2	90.5	93.1	1.4	2.6
	% of SWF Crisis Grant decisions within 1 day*	-	95.5	95.3	93.8	93.3	91.8	94.0	-1.5	2.3



Indicator Description										
		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	%/value change pre-Covid to most recent year	%/value change 2022-23 and 2023-24
Corporate Services	% of SWF CCG decisions within 15 days*	-	89.5	82.3	84.5	85.8	87.3	83.3	-6.3	-4.0
	Proportion of SWF budget spent*	95.3	99.9	107.8	83.2	115.2	130.0	128.9	29.0	-1.1
	Proportion of DHP Funding spent*	101.2	102.6	104.5	97.2	96.0	94.4	101.0	-1.6	6.6
	Proportion of operational buildings that are suitable for their current use	80.8	82.2	82.5	82.3	85.3	86.1	85.5	3.0	-0.6
	Proportion of internal floor area of operational buildings in satisfactory condition	86.3	87.2	88.6	89.2	90.1	89.7	89.8	1.2	0.1
Adult Social Care	Older persons (over 65) home care costs per hour	£29.70	£30.07	£30.19	£32.10	£31.66	£33.62	£33.61	11.3%	0.0%
	Direct payment & personalised budget spend as a % of total social work spend on adults 18+	6.8	7.2	7.7	8.1	8.4	8.7	9.0	1.3	0.4
	% of people 65+ with long-term needs receiving care at home	61.4	61.8	60.3	62.5	61.3	61.7	62.6	2.3	0.9
	% of adults supported at home who agree that their services and support had an impact in improving or maintaining their quality of life	80.0	-	80.0	-	78.1	-	69.8	-10.3	-8.4
	Percentage of adults supported at home who agree that they are supported to live as independently as possible	81.1	-	80.8	-	78.8	-	72.4	-8.4	-6.4
	Percentage of adults supported at home who agree that they had a say in how their help, care or support was provided	75.6	-	75.4	-	70.6	-	59.6	-15.8	-11.0
	Percentage of carers who feel supported to continue in their caring role	36.6	-	34.3	-	29.7	-	31.2	-3.1	1.5
	Older persons (over 65's) residential care costs per week per resident	£603.11	£634.75	£641.11	£740.98	£721.34	£724.14	£723.01	12.8%	-1.1%
	Rate of readmission to hospital within 28 days per 1,000 discharges	102.8	103.4	104.9	120.2	106.7	102.2	103.9	-0.9%	1.7%
	Proportion of care services graded ‘good’ (4) or better in Care Inspectorate inspections	85.4	82.2	81.8	82.5	75.8	75.0	77.0	-4.8	2.0
	Number of days people spend in hospital when they are ready to be discharged, per 1,000 population (75+)	762.2	792.9	774.4	484.3	749.8	892.1	846.3	9.3%	-5.1%

Indicator Description										
		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	%/value change pre-Covid to most recent year	%/value change 2022-23 and 2023-24
Culture and Leisure	Cost per attendance at sports facilities	£3.40	£3.18	£3.22	£46.84	£7.11	£5.16	£4.35	35.0%	-15.7%
	Cost per library visit	£2.59	£2.50	£2.37	£3.35	£3.21	£2.97	£2.38	0.6%	-19.8%
	Cost of museums per visit	£4.37	£4.22	£3.89	£11.84	£5.21	£3.24	£3.50	-10.0%	8.0%
	Cost of parks & open spaces per 1,000 population	£24,912	£24,717	£24,134	£22,428	£22,718	£24,867	£23,376	-3.1%	-6.0%
	% of adults satisfied with libraries	72.0	72.1	73.0	78.0	71.0	64.0	66.0	-7.0	2.0
	% of adults satisfied with parks and open spaces	85.0	82.5	83.0	91.0	88.0	83.0	84.0	1.0	1.0
	% of adults satisfied with museums and galleries	69.0	68.9	70.0	75.0	74.0	65.0	69.0	-1.0	4.0
	% of adults satisfied with leisure facilities	72.0	69.3	69.0	77.0	71.0	65.0	65.0	-4.0	0.0
Environmental Services	Net cost per waste collection per premises	£82.42	£81.82	£81.90	£84.08	£77.48	£79.77	£78.72	-3.9%	-1.3%
	Net cost per waste disposal per premises	£126.67	£118.54	£117.47	£123.05	£110.86	£100.58	£104.38	-11.1%	3.8%
	Net cost of street cleaning per 1,000 population	£19,430	£18,214	£18,244	£17,007	£16,474	£15,137	£15,961	-12.5%	5.4%
	Cleanliness score (%age acceptable)	92.2	92.8	92.2	90.1	89.7	90.6	92.1	-0.1	1.5
	Cost of roads per kilometre	£12,611	£12,076	£11,609	£10,900	£12,246	£13,659	£13,788	18.8%	0.9%
	% of A class roads that should be considered for maintenance treatment	30.2	30.0	30.6	29.8	27.6	27.4	28.9	-1.7	1.5
	% of B class roads that should be considered for maintenance treatment	35.9	35.7	35.0	34.0	33.6	31.5	32.5	-2.5	1.0
	% of C class roads that should be considered for maintenance treatment	36.2	36.3	35.1	33.6	33.2	32.7	33.4	-1.8	0.7
	% of unclassified roads that should be considered for maintenance treatment	39.0	38.2	37.8	38.3	36.7	36.4	36.2	-1.6	-0.1
	Cost of trading standards and environmental health per 1,000 population	£26,894	£25,478	£23,931	£22,295	£24,766	£24,086	£22,804	-4.7%	-5.3%
	Cost of environmental health per 1,000 population	£19,487	£18,249	£16,535	£15,339	£18,141	£16,290	£15,538	-6.0%	-4.6%
	Cost of trading standards, money advice and citizens advice per 1,000 population	£7,407	£7,229	£7,396	£6,956	£6,625	£7,796	£7,266	-1.8%	-6.8%
	% of total household waste arising that is recycled	45.6	44.7	44.9	42.1	43	43.3	43.5	-1.4	0.2
	% of adults satisfied with refuse collection	75.0	75.0	73.0	78.0	77.0	79.0	79.0	6.0	0.0
	% of adults satisfied with street cleaning	66.0	62.9	59.0	58.0	59.0	58.0	57.0	-2.0	-1.0

Indicator Description										
		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	%/value change pre-Covid to most recent year	%/value change 2022-23 and 2023-24
Housing Services	Gross rent arrears as a % of rent due for the reporting year	6.7	7.3	7.3	8.2	8.7	9.6	9.5	2.2	-0.1
	% of rent due in the year that was lost due to voids	0.9	1.0	1.1	1.4	1.6	1.7	1.8	0.7	0.1
	% of dwellings meeting SHQS	93.9	94.3	94.9	85.2	68.5	70.9	77.8	-17.1	6.9
	Average time taken to complete non-emergency repairs	7.5	7.8	7.3	7.3	9.2	9.7	10.0	0.4	0.0
	% of council dwellings that are energy efficient	75.3	80.9	84.1	86.4	87.6	dna	dna	3.5	1.3
Economic Development	% of unemployed people assisted into work from council funded/ operated employability programmes	14.3	12.6	12.7	6.0	17.4	12.9	12.1	-0.6	-0.8
	Cost of planning and building standards per planning application	£5,054	£5,418	£5,281	£5,795	£4,785	£5,882	£6,679	26.5%	13.5%
	Average time per business and industry planning application	9.3	9.1	10.5	11.1	11.7	12.0	10.7	1.2%	-11.4%
	% of procurement spent on local enterprises	27.4	28.7	28.5	29.1	29.9	29.6	30.7	2.2	1.1
	No of Business Gateway start-ups per 10,000 population	16.8	16.7	16.6	11.3	14.5	14.4	13.6	-18.0%	-5.9%
	Investment in economic development & tourism per 1,000 population	£116,636	£131,982	£124,115	£103,953	£133,203	£121,226	£118,765	-4.3%	-2.0%
	Proportion of people earning less than the real living wage	18.4	19.4	16.8	15.1	14.5	9.4	10.2	-6.6	0.8
	Proportion of properties receiving superfast broadband	91.1	92.0	93.3	93.8	94.1	95.5	95.9	2.6	0.4
	Town vacancy rates	11.5	10.0	11.7	12.4	11.4	11.6	12.3	0.6	0.7
	Immediately available employment land as a % of total land allocated for employment purposes in the local development plan	40.8	37.6	36.2	38.9	27.2	22.8	24.5	-11.7	1.8
	Gross Value Added (GVA) per capita	£27,078	£27,005	£27,256	£24,088	£25,988	£27,039	dna	-0.8%	4.0%
	Claimant Count as % of Working Age Population	2.3	2.7	3.2	6.0	4.5	3.2	3.1	-0.1	-0.1
	Claimant Count as % of 16-24 Population	2.9	3.2	3.8	7.2	4.9	3.3	3.4	-0.4	0.0
Financial Sustainability	Total useable reserves as a % of council annual budgeted revenue	17.0	16.6	17.0	23.7	24.4	24.5	23.9	6.9	-0.6
	Uncommitted General Fund Balance as a % of council annual budgeted net revenue	3.7	2.8	2.8	3.1	2.9	2.9	2.3	-0.5	-0.7
	Ratio of Financing Costs to Net Revenue Stream - General Fund	8.0	7.9	7.2	6.2	5.9	5.4	5.8	-1.4	0.4
	Ratio of Financing Costs to Net Revenue Stream - Housing Revenue Account	23.6	22.8	22.6	22.9	22.6	21.8	20.0	-2.6	-1.8
	Actual outturn as a percentage of budgeted expenditure	99.3	99.4	99.4	97.4	98.3	98.4	99.6	0.3	1.0

Indicator Description										
		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	%/value change pre-Covid to most recent year	%/value change 2022-23 and 2023-24
Climate Change	CO2 emissions area wide per tonne, per capita	5.5	5.5	5.3	4.6	5.0	4.8	dna	-9.6%	-3.6%
	CO2 emissions are wide: emissions within scope of Local Authority per tonne, per capita	5.0	4.9	4.6	4.1	4.5	4.3	dna	-7.9%	-5.6%
	Emissions from transport per 1,000 population	26.7	30.6	29.4	21.6	27.3	27.8	dna	-5.3%	2.0%
	Emissions from electricity per 1,000 population	91.5	70.7	56.0	42.7	46.6	43.7	dna	-21.9%	-6.1%
	Emissions from natural gas per 1,000 population	64.9	60.8	56.4	57.3	61.6	57.6	dna	2.0%	-6.5%

\* Precovid year is 2018-19 for these indicators. For all others, it is 2019-20

Improvement Service  
West Lothian Civic Centre  
Howden South Road  
Livingston  
EH54 6FF

T: 01506 282012  
E. [info@improvementservice.org.uk](mailto:info@improvementservice.org.uk)  
W. [www.improvementservice.org.uk](http://www.improvementservice.org.uk)

[www.improvementservice.org.uk/benchmarking](http://www.improvementservice.org.uk/benchmarking)










## Local Government Benchmarking Framework Indicators 2023/24 – Linked to Priorities in the Council Plan 2023 to 2028

<b>Contents</b>	
<b>Growing Our Economy</b>	
Claimant Count as a Percentage of Working Age Population.	Page 3
Percentage of Children living in Poverty (after housing costs).	Page 4
Percentage of Procurement Spent on Local Enterprises.	Page 5
CO2 Emissions Area-Wide per Capita.	Page 6
CO2 Emissions within Scope of Local Authority per Capita.	Page 7
<b>Strengthening Our Community</b>	
Adults Supported at Home Who Agree that They had a Say in How Their Care, Help or Support was Provided.	Page 8
Adults Supported at Home Who Agree that Their Services had an Impact in Improving or Maintaining Their Quality of Life.	Page 9
Balance of Care for Looked After Children: Percentage of Children Being Looked After in the Community.	Page 10
Percentage of Pupils Gaining 5+ Awards at Level 5.	Page 11
Proportion of Pupils Entering Positive Destinations.	Page 12

<b>Contents (continued)</b>	
<b>Strengthening Our Community (continued)</b>	
Percentage of P1, P4 and P7 Pupils Combined Achieving Expected Curriculum for Excellence Level in Literacy.	Page 13
Percentage of P1, P4 and P7 Pupils Combined Achieving Expected Curriculum for Excellence Level in Numeracy.	Page 14
School Attendance Rate for Looked After Children.	Page 15
<b>Developing Our Infrastructure</b>	
Percentage of Council Dwellings meeting Scottish Housing Standards.	Page 16
Percentage of Council Dwellings that are Energy Efficient.	Page 17
<b>Transforming Our Council</b>	
Proportion of Operational Buildings that are Suitable for their Current Use.	Page 18
Actual Outturn as a Percentage of Budgeted Expenditure.	Page 19
Sickness Absence Days per Teacher.	Page 20
Sickness Absence Days per Employee (Non-Teacher)	Page 21

	Ranked in the top eight Scottish Councils.
	Ranked between nine and 16.
	Ranked in the bottom 16.

Priority: Growing Our Economy

ECON 12a – Claimant Count as a Percentage of Working Age Population.

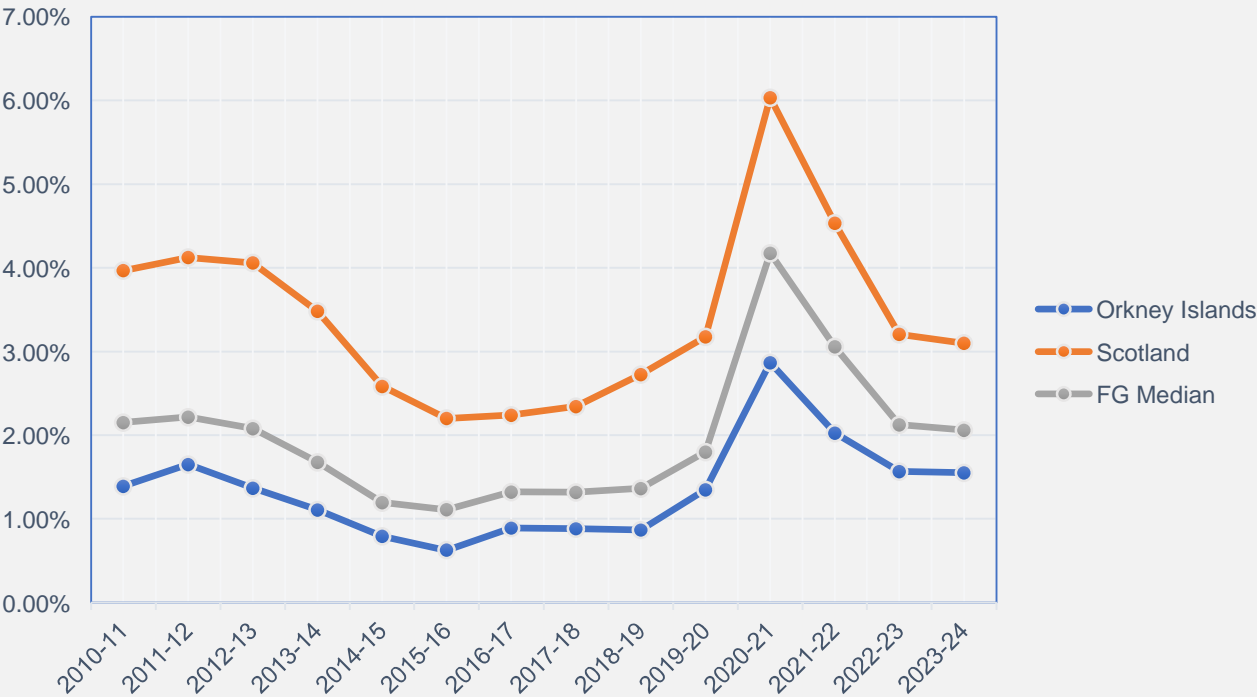
The low claimant count is linked to the very high employment rate which is a result of multiple job opportunities and an aging population meaning fewer people in the labour market.

Shortage of housing contributes to this as it can be difficult for people to move to Orkney to take up job opportunities.

Baseline 2020/21	Performance 2023/24	Target 2027/28
2.9%	1.55%	2.5%

Rank out of 32 Scottish Councils		
2022/23	1	✓
2023/24	1	

CLAIMANT COUNT AS A PERCENTAGE OF WORKING AGE POPULATION



## Priority: Growing Our Economy

### CHN24 – Percentage of Children living in Poverty (after housing costs)

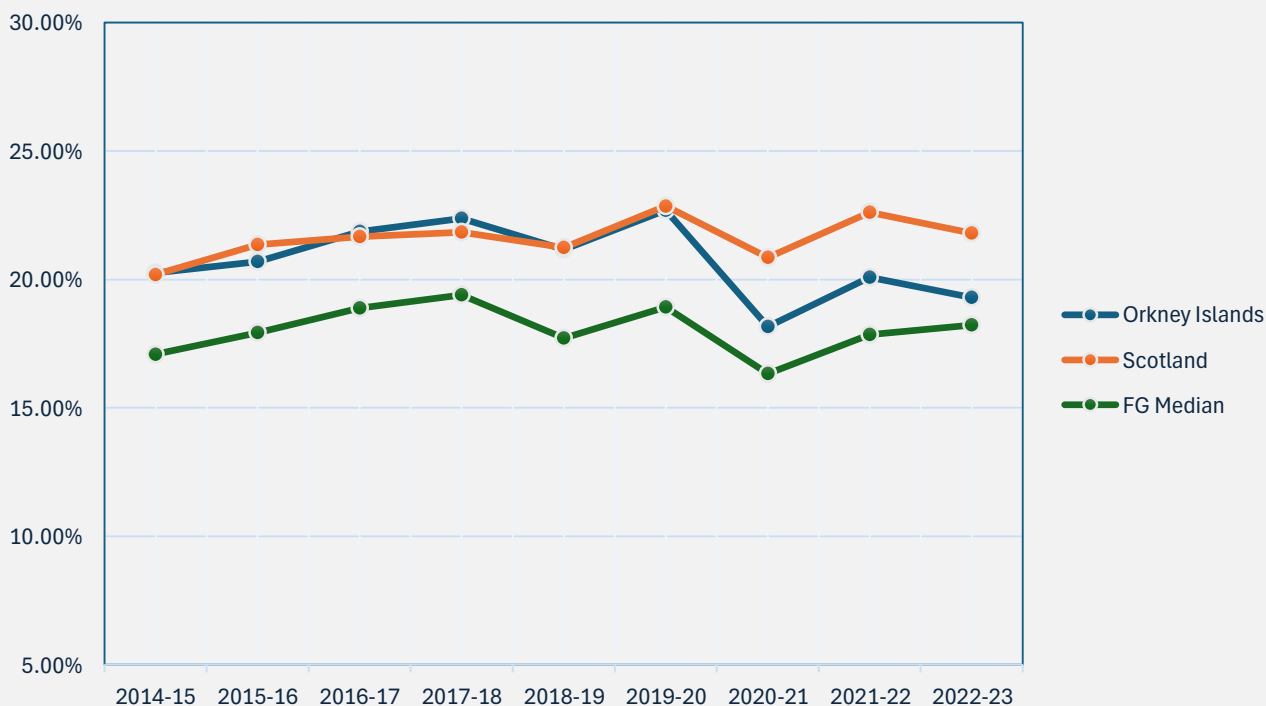
The percentage for this indicator saw improvement in 2022/23 compared to the 2021/22 figure but there are various factors impacting such as the cost of living crisis. Although Orkney sits in the top quartile for Scottish councils for this indicator, reducing the number of children in poverty remains a priority and various workstreams are ongoing.

Baseline 2020/21	Performance 2022/23	Target 2027/28
18.16%	19.3%	9%

Rank out of 32 Scottish Councils		
2021/22	7	✓
2022/23	6	

### PERCENTAGE OF CHILDREN LIVING IN POVERTY (AFTER HOUSING COSTS)



## Priority: Growing Our Economy

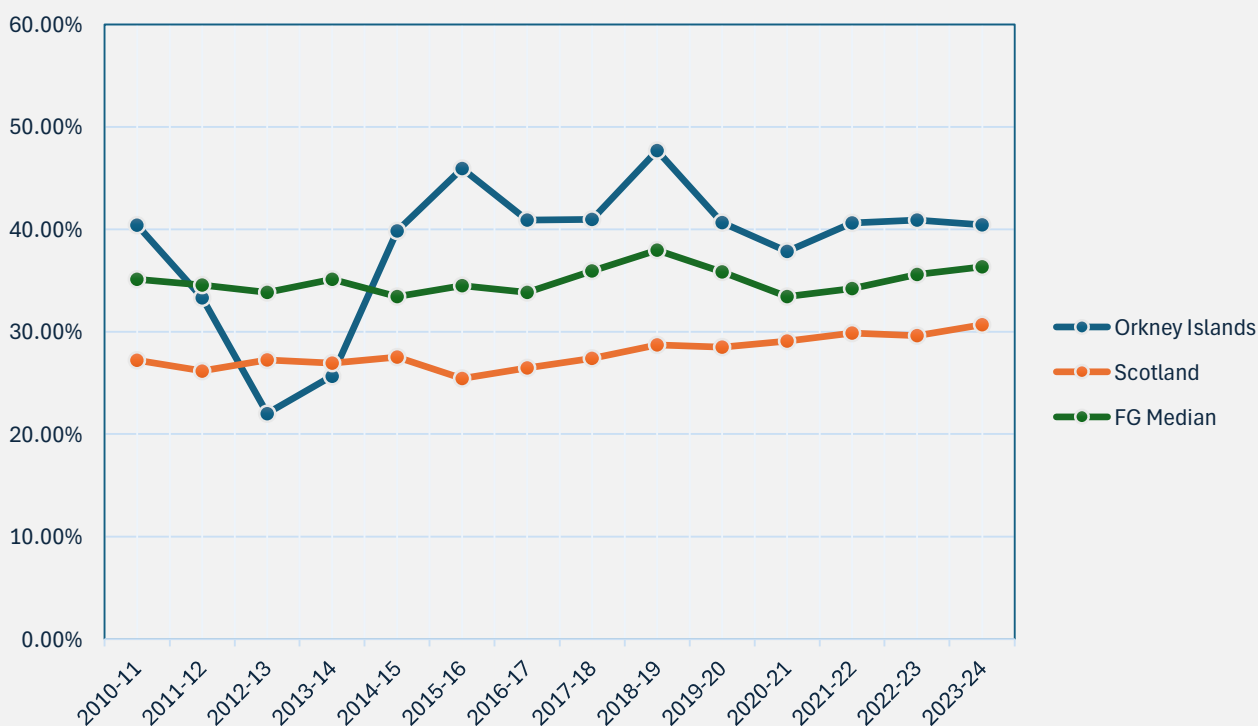
### ECON4 – Percentage of Procurement Spent on Local Enterprises.

The Council has a statutory duty to achieve best value in carrying out its functions, including the procurement of goods and services. On occasions the specification of a service or product required by the Council is able only to be met by suppliers based outwith Orkney.

Baseline 2020/21	Performance 2023/24	Target 2027/28
37.85%	40.44%	45%

Rank out of 32 Scottish Councils		
2022/23	3	✓
2023/24	4	

### PERCENTAGE OF PROCUREMENT SPENT ON LOCAL ENTERPRISES






Priority: Growing Our Economy

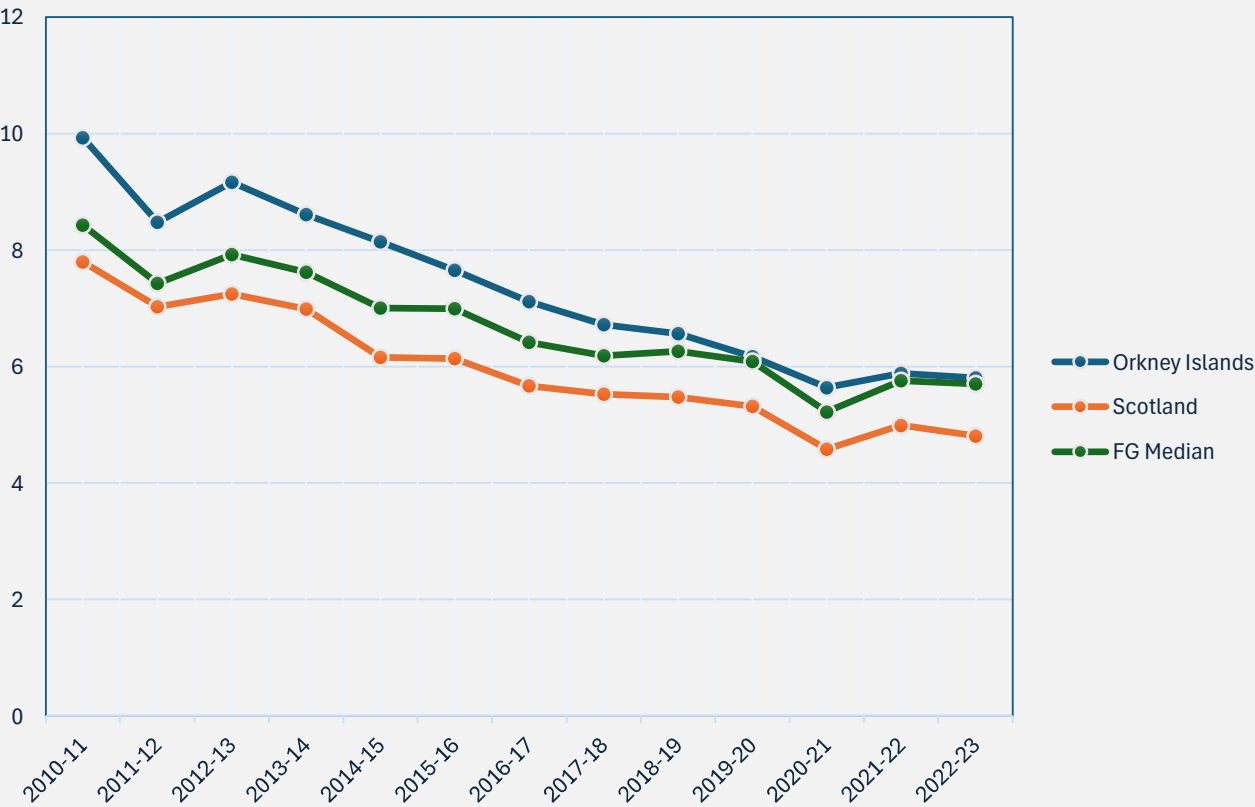
CLIM1 – CO<sub>2</sub> Emissions Area-Wide per Capita.

We are working in collaboration to develop projects to minimise emissions of the three Island Groups. Works on new network interconnector will enable more renewable projects in Orkney. The statistics for these indicators are reported annually but the data provided is always for the previous year so runs behind, the data for this indicator reflects the status for the period 2022/23. The data for 2023/2024 will be published in June 2025.

Baseline 2020/21	Performance 2022/23	Target 2027/28
5.64	5.80	9

Rank out of 32 Scottish Councils		
2021/22	24	
2022/23	24	

CO<sub>2</sub> EMISSIONS AREA WIDE PER CAPITA




## Priority: Growing Our Economy

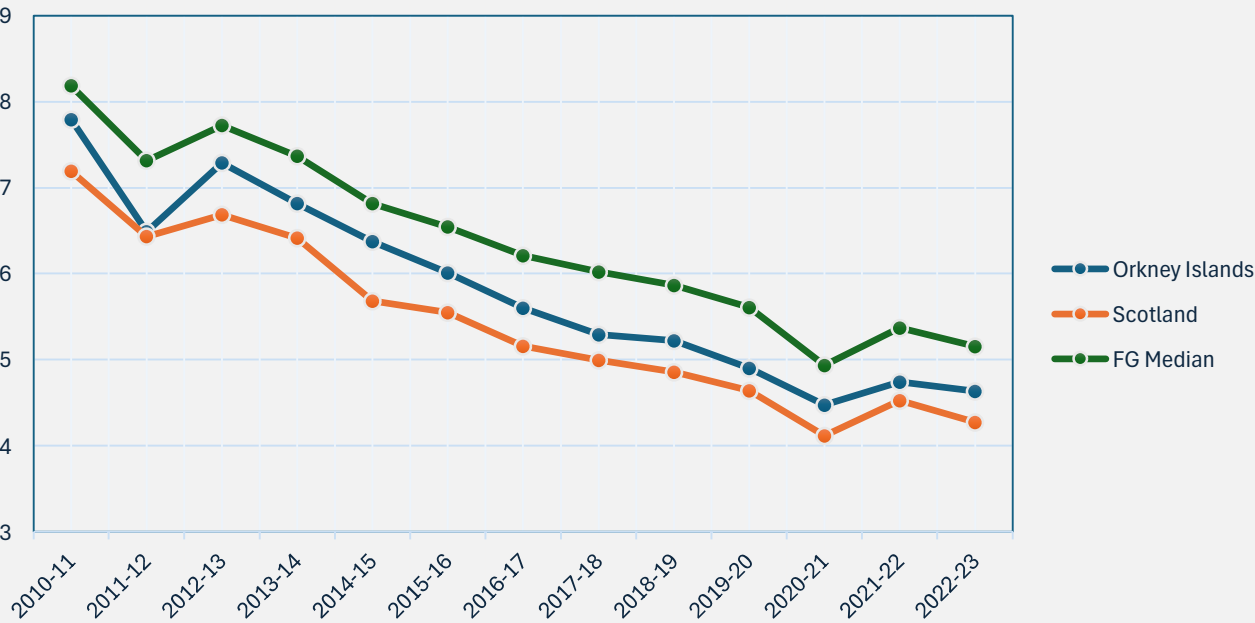
### CLIM2 – CO<sub>2</sub> Emissions within Scope of Local Authority per Capita.

Completion of the St Andrews primary school extension and conversion of the heating system from oil to Ground Source Heat Pumps. Progress on the external insulation of Stromness Academy. Completion of the Orkney Library re-lighting with LED and improvements to the building air tightness testing. The statistics for these indicators are reported annually but the data provided is always for the previous year so runs behind, the data for this indicator reflects the status for the period 2022/23.

Baseline 2020/21	Performance 2022/23	Target 2027/28
4.47	4.63	4

Rank out of 32 Scottish Councils		
2021/22	19	
2022/23	18	

### CO<sub>2</sub> EMISSIONS AREA WIDE: EMISSIONS WITHIN SCOPE OF LOCAL AUTHORITY PER CAPITA



Priority: Strengthening Our Community

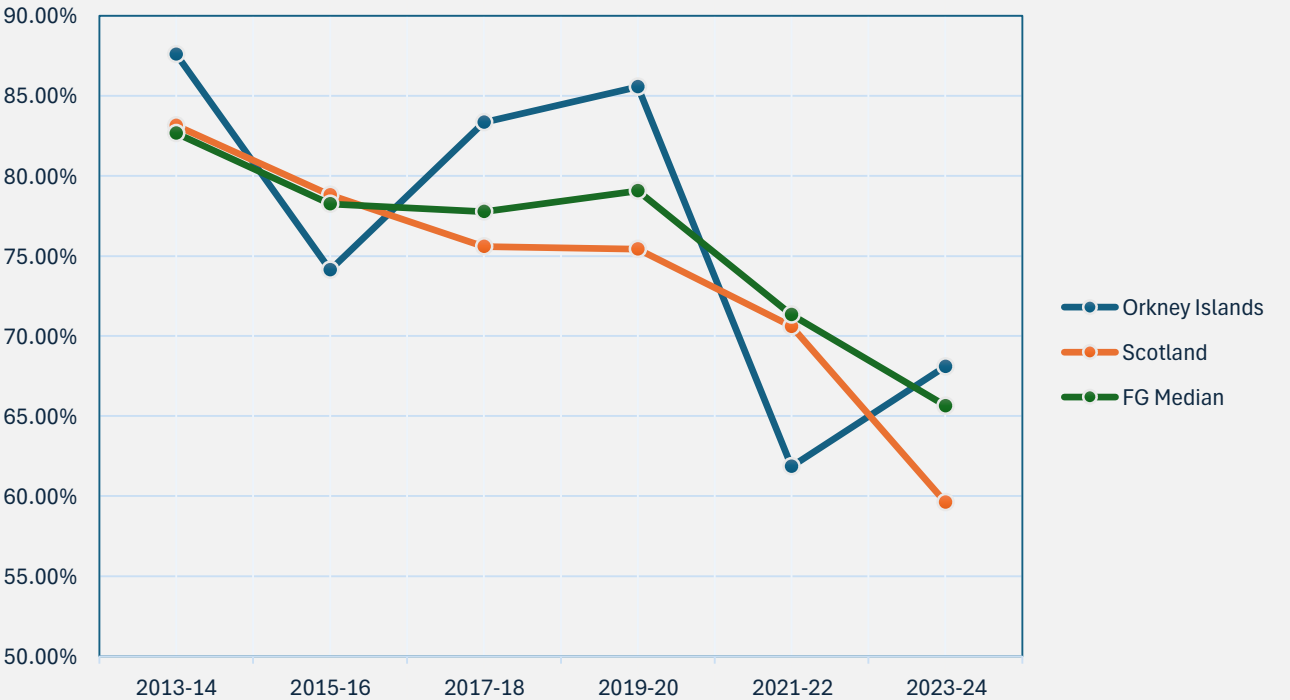
SW4d – Adults Supported at Home Who Agree that They had a Say in How Their Care, Help or Support was Provided.

This is an improvement on last recording of 61.9% in 21/22. We have not been able to identify concrete reasons for the post pandemic drop however we have paid particular attention to observations made during reviews and reasons for complaints

Baseline 2019/20	Performance 2023/24	Target 2027/28
85.56%	68.09%	93%

Rank out of 32 Scottish Councils		
2021/22	30	✓
2023/24	4	

PERCENTAGE OF ADULTS SUPPORTED AT HOME WHO AGREE THEY HAD A SAY IN HOW THEIR HELP, CARE OR SUPPORT WAS PROVIDED




Priority: Strengthening Our Community

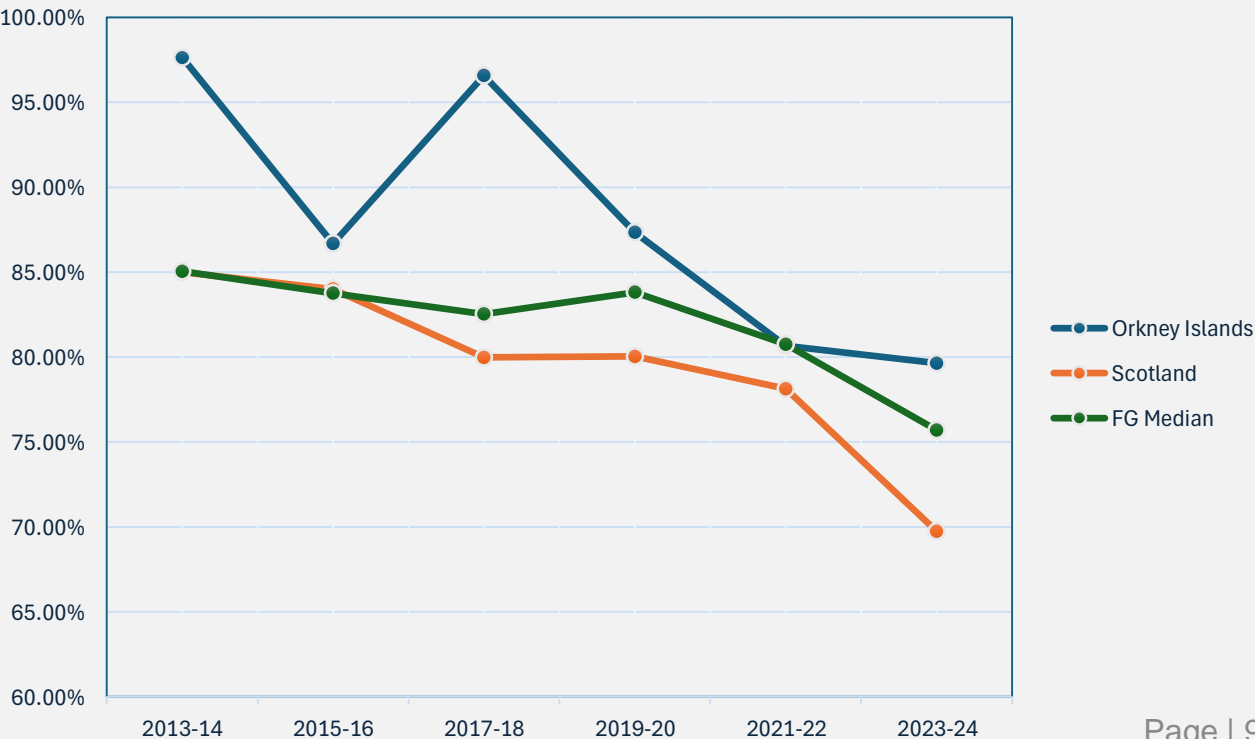
SW4b – Adults Supported at Home Who Agree that Their Services had an Impact in Improving or Maintaining Their Quality of Life.

This is a percentage point less than last year however we have regained our rank of second. It is nonetheless a drop and we will endeavour to understand better the decline.

Baseline 2019/20	Performance 2023/24	Target 2027/28
87.33%	79.64%	93%

Rank out of 32 Scottish Councils		
2021/22	9	
2023/24	2	

ADULTS SUPPORTED AT HOME WHO AGREE THEIR CARE HAD AN IMPACT IN IMPROVING OR MAINTAINING THEIR QUALITY OF LIFE




## Priority: Strengthening Our Community

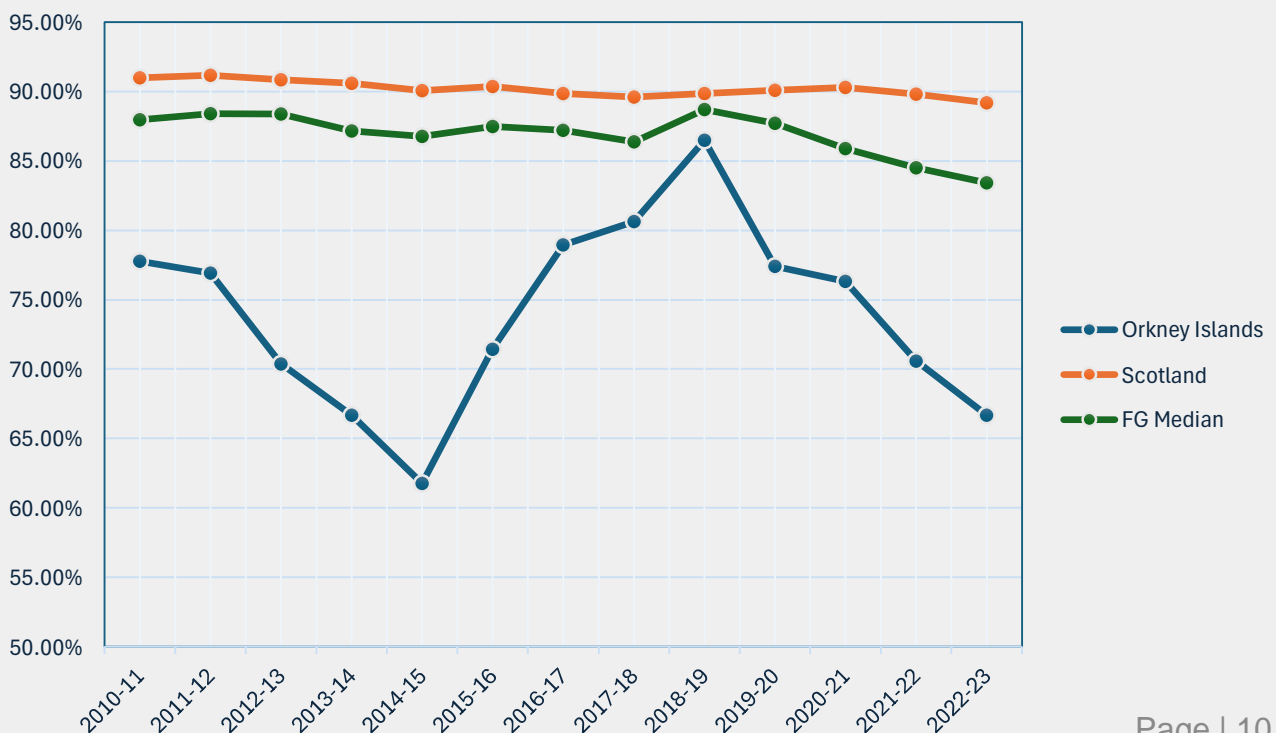
### CHN9 – Balance of Care for Looked After Children: Percentage of Children Being Looked After in the Community.

Every placement is considered based on the needs of the child and the supports available in their network of care. There is a current foster care recruitment drive underway to increase the number of foster carers in Orkney, to then reduce the need for residential care and foster care/ residential placements outwith Orkney.

Baseline 2020/21	Performance 2022/23	Target 2027/28
76.3%	66.7%	85%

Rank out of 32 Scottish Councils		
2021/22	32	
2022/23	32	

### BALANCE OF CARE FOR LOOKED AFTER CHILDREN: PERCENTAGE OF CHILDREN BEING LOOKED AFTER IN THE COMMUNITY






Priority: Strengthening Our Community

CHN4 – Percentage of Pupils Gaining 5+ Awards at Level 5.

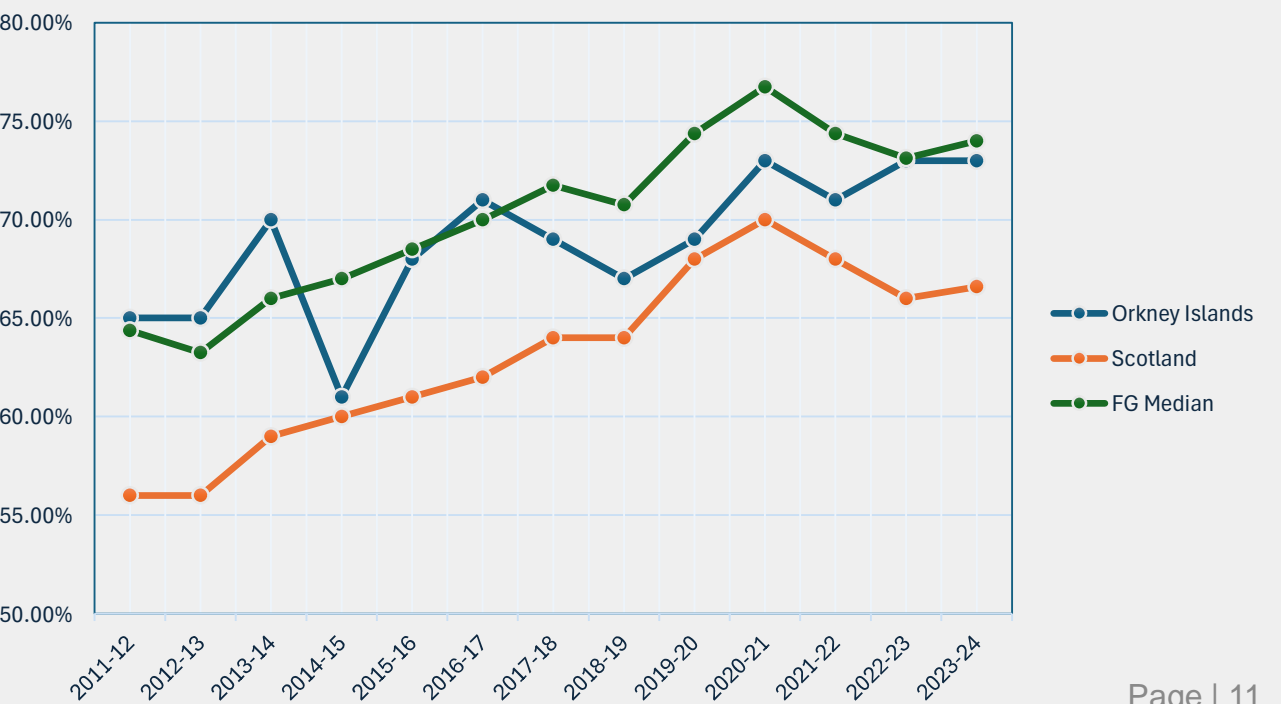
The general trend for Orkney school leavers’ attainment of at least 5 level 5 awards is positive.

There remains significant focus on the tracking and monitoring of achievement within the senior phase with the aim to achieve our 80% target.

Baseline 2020/21	Performance 2022/23	Target 2027/28
73%	73%	80%

Rank out of 32 Scottish Councils		
2022/23	4	
2023/24	5	

PERCENTAGE OF PUPILS GAINING 5+ AWARDS AT LEVEL 5




Priority: Strengthening Our Community

CHN11 – Proportion of Pupils Entering Positive Destinations.

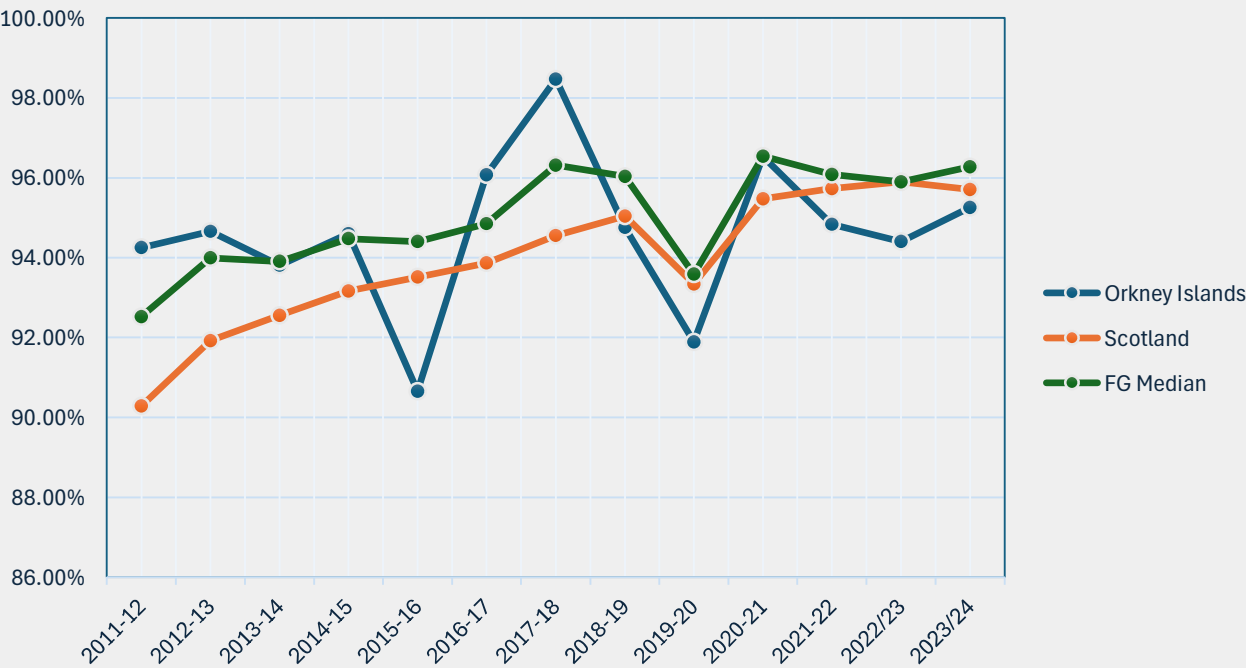
The proportion of school leavers entering positive destinations has risen from 94.4% in 22/23 to 95.3% in 23/24, with a consequent rise in Orkney’s rank, following the slight decline in 2022/23.

With the small numbers in Orkney and the high performance across the whole of Scotland, one young person can make a significant difference in our ranking.

Baseline 2020/21	Performance 2023/24	Target 2027/28
96.53%	95.26%	98%

Rank out of 32 Scottish Councils		
2022/23	28	
2023/24	23	

PROPORTION OF PUPILS ENTERING POSITIVE DESTINATIONS



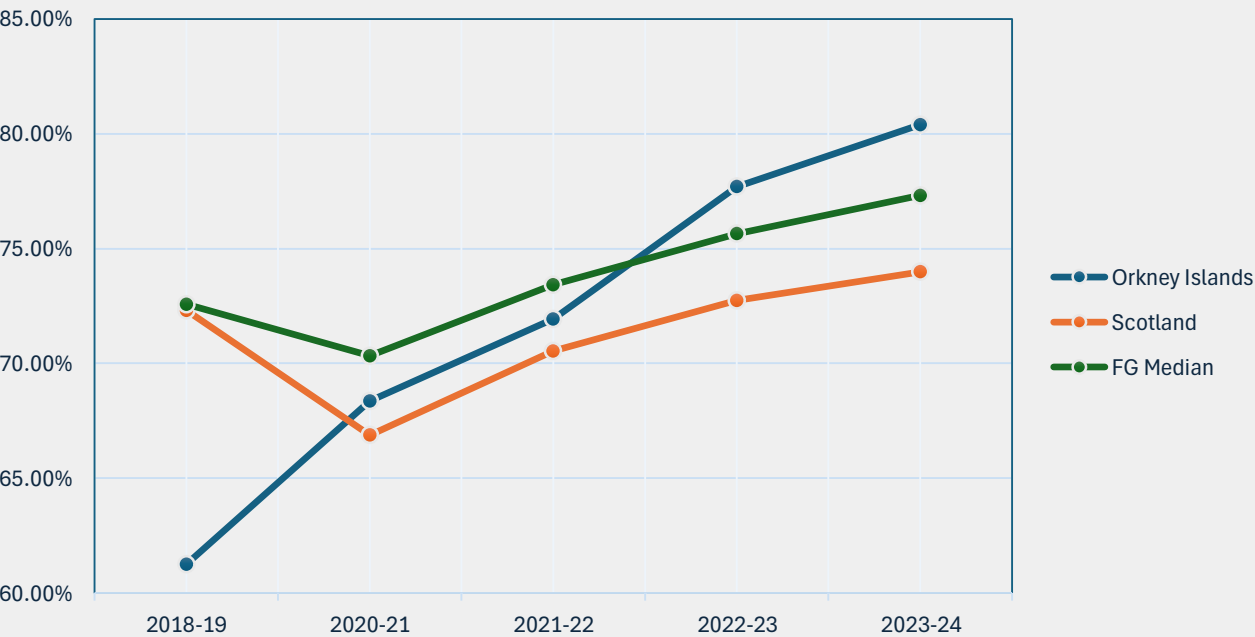
Priority: Strengthening Our Community

CHN13a – Percentage of P1, P4 and P7 Pupils Combined  
Achieving Expected Curriculum for Excellence Level in Literacy.

The most up-to-date data will be available in June 2025. We continue to display strong performance against this indicator which has improved year-on-year and we are working to secure further improvement.

Baseline 2020/21	Performance 2023/24	Target 2027/28
68.4%	80.4%	85%
Rank out of 32 Scottish Councils		
2022/23	5	✓
2023/24	3	

PERCENTAGE OF P1, P4 AND P7 PUPILS  
COMBINED ACHIEVING EXPECTED CFE LEVEL IN  
LITERACY



Priority: Strengthening Our Community

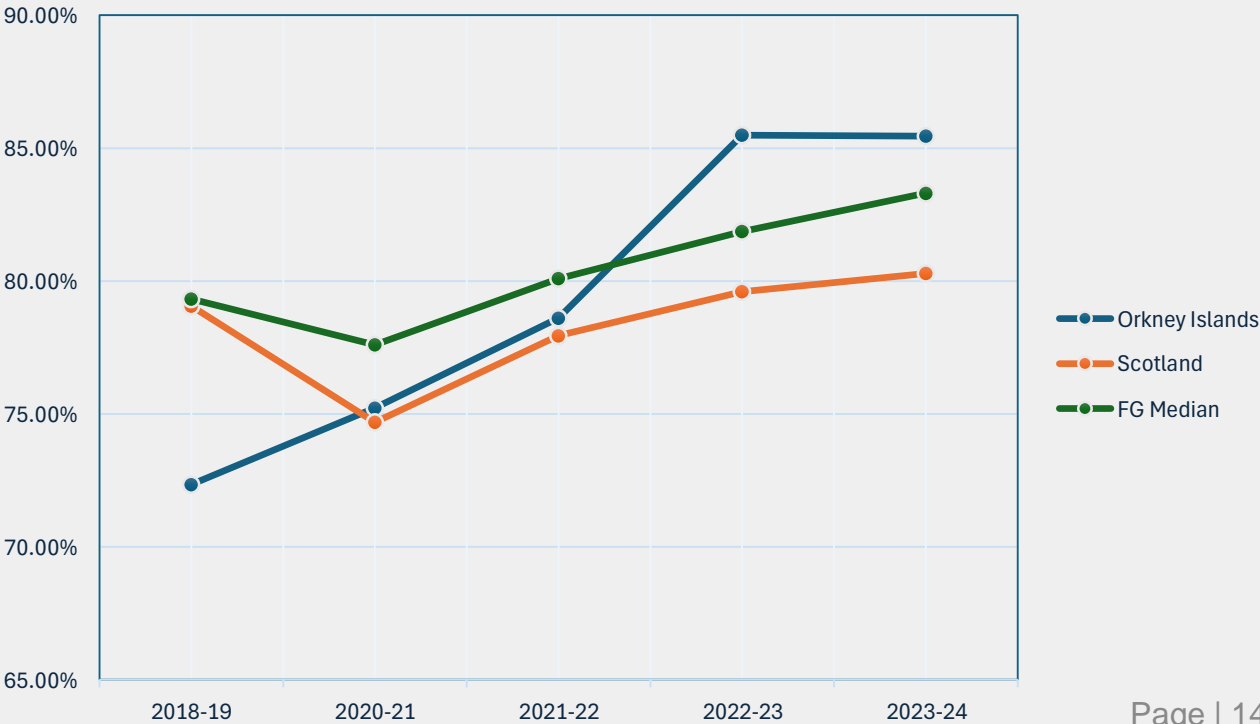
CHN13b – Percentage of P1, P4 and P7 Pupils Combined Achieving Expected Curriculum for Excellence Level in Numeracy.

The most up-to-date data will be available in June 2025. We have seen continuous improvement in this indicator and we are working to ensure that we can improve standards further.

Baseline 2020/21	Performance 2023/24	Target 2027/28
75.2%	85.5%	90%

Rank out of 32 Scottish Councils		
2022/23	3	✓
2023/24	3	

PERCENTAGE OF P1, P4 AND P7 PUPILS COMBINED ACHIEVING EXPECTED CFE LEVEL IN NUMERACY




## Priority: Strengthening Our Community

### CHN19b – School Attendance Rate for Looked After Children.

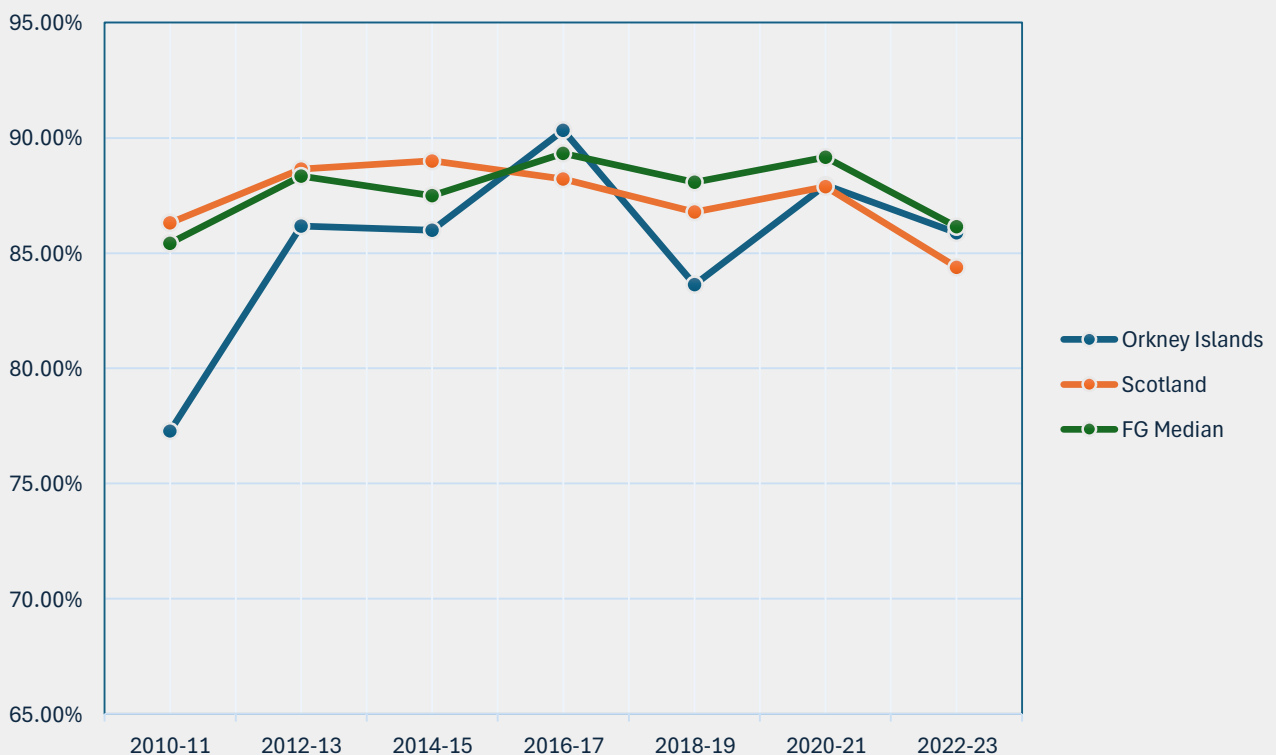
The 2022/23 rate for Orkney is equal to the Family Group average and above the Scotland rate.

Improving the attendance of care experienced children and young people is one of our priority stretch aims.

Baseline 2018/19	Performance 2022/23	Target 2027/28
83.64%	85.88%	90%

Rank out of 32 Scottish Councils		
2020/21	18	
2022/23	11	

### SCHOOL ATTENDANCE RATE - LOOKED AFTER CHILDREN




Priority: Developing Our Infrastructure

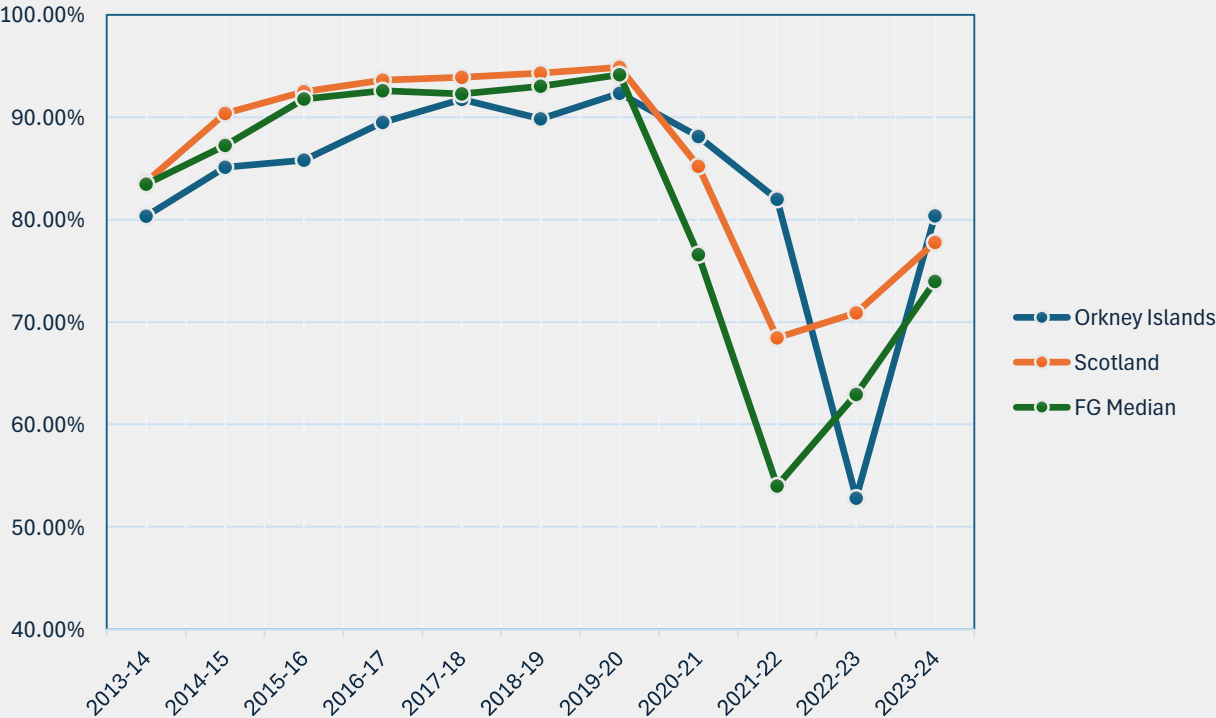
HSN3 – Percentage of Council Dwellings meeting Scottish Housing Quality Standards.

In 2023-2024, there was significant progress in the percentage of properties meeting the standard, with 80.38% of our properties achieving compliance, up from 52.82% in the previous year. In 2022/23 issues had been identified with our electrical installation condition reports (EICR). Following the implementation of a focused improvement plan, 99.2% of our properties held valid EICR certificates by 31 March 2024. Additionally, interlinked smoke alarms had been successfully installed in 98.2% of our properties. We continue to work closely with our tenants and contractors to address any residual issues.

Baseline 2021/22	Performance 2023/24	Target 2027/28
81.99%	80.38%	90%

Rank out of 32 Scottish Councils		
2022/23	20	
2023/24	11	

PERCENTAGE OF DWELLINGS MEETING SHQS





Priority: Developing Our Infrastructure

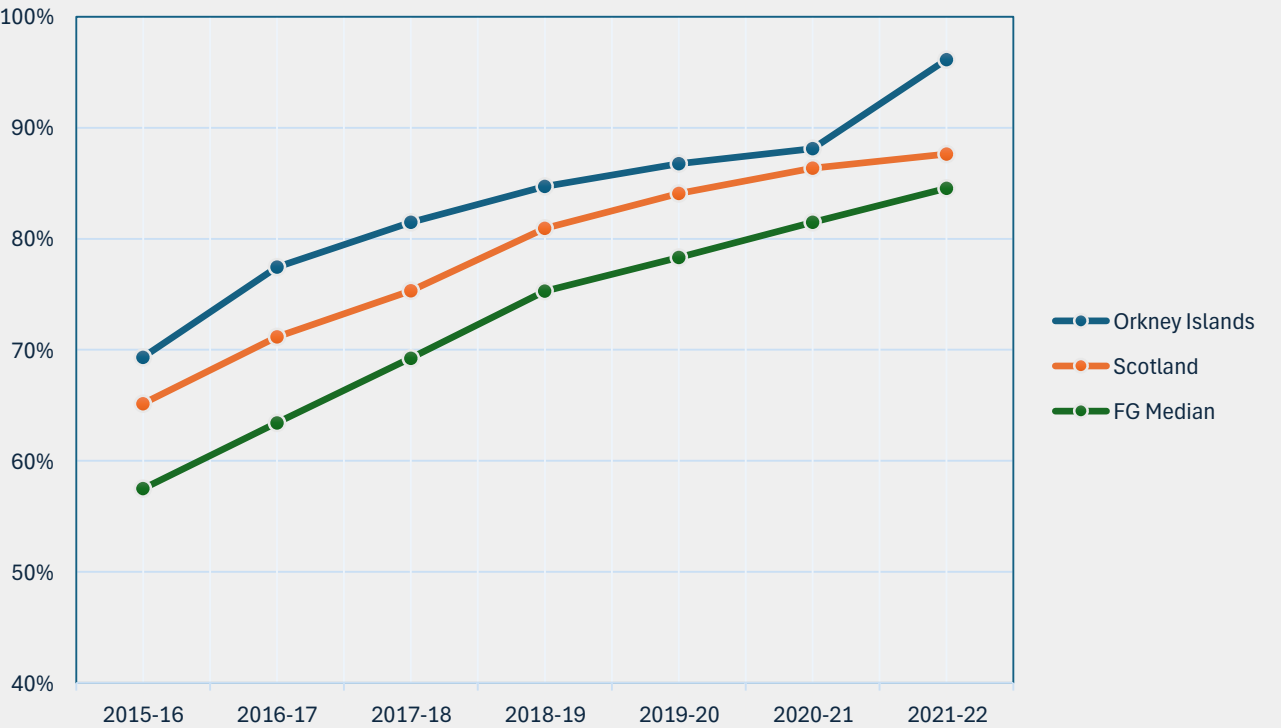
HSN5 – Percentage of Council Dwellings that are Energy Efficient.

Out of 1025 properties, 957 met the standard\* on 31 March 2025. Of the remaining 68 properties, 34 were exempt or out of scope due to factors such as disproportionate cost or those in abeyance because the tenant has refused works to the property.

Baseline 2020/21	Performance 2022/23	Target 2027/28
88.12%	94%	90%

Rank out of 32 Scottish Councils		
2021/22	6	
2022/23		

PERCENTAGE OF COUNCIL DWELLINGS THAT ARE ENERGY EFFICIENT




\*See additional information on page 22

## Priority: Transforming Our Council

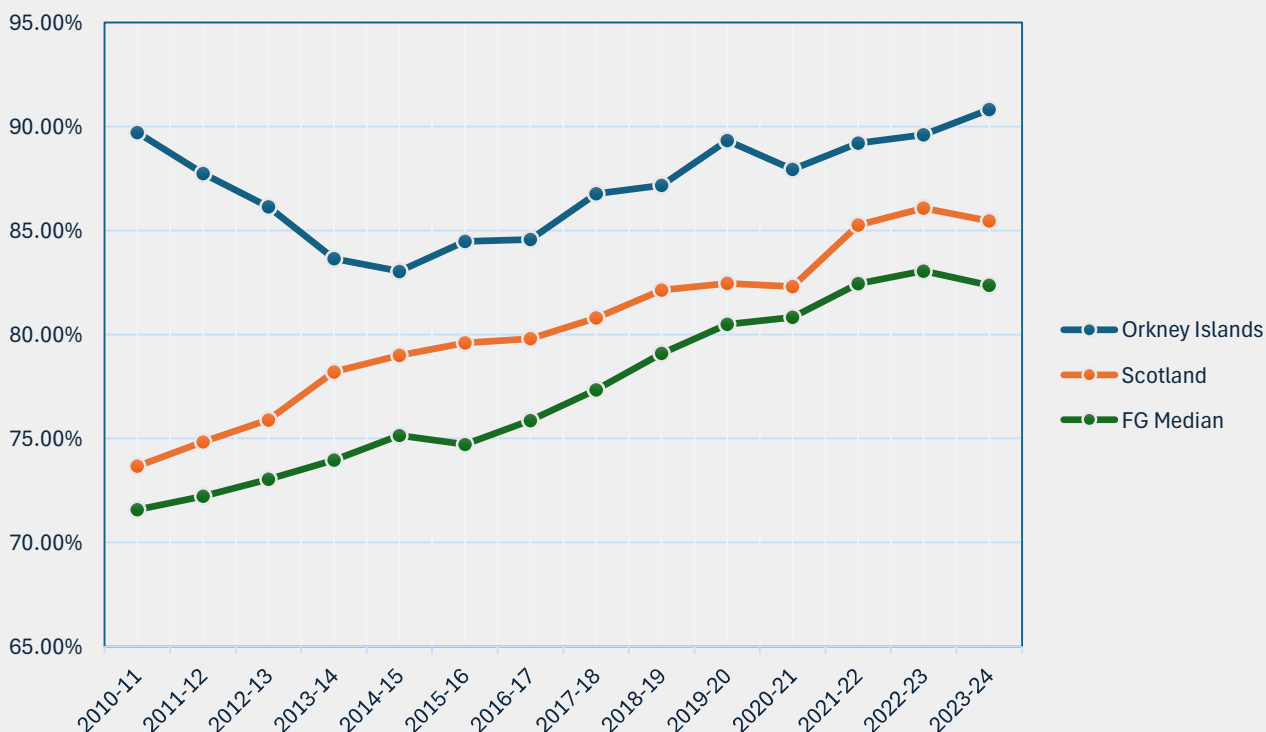
### CORP-ASSET1 – Proportion of Operational Buildings that are Suitable for their Current Use.

2024 figures for the suitability indicators are 90.8% if looked at from the point of numbers, but 93.94% if area-based e.g. Cursiter Quarry is now recorded as 9 assets, whereas before it was recorded as one. Properties scoring\* 'D' are the Longhope Pier Weighbridge Building, two sheds, a store and the closed Former Papdale Halls of Residence.

Baseline 2020/21	Performance 2023/24	Target 2027/28
87.95%	90.82%	90%

Rank out of 32 Scottish Councils		
2022/23	13	
2023/24	13	

### PROPORTION OF OPERATIONAL BUILDINGS THAT ARE SUITABLE FOR THEIR CURRENT USE




## Priority: Transforming Our Council

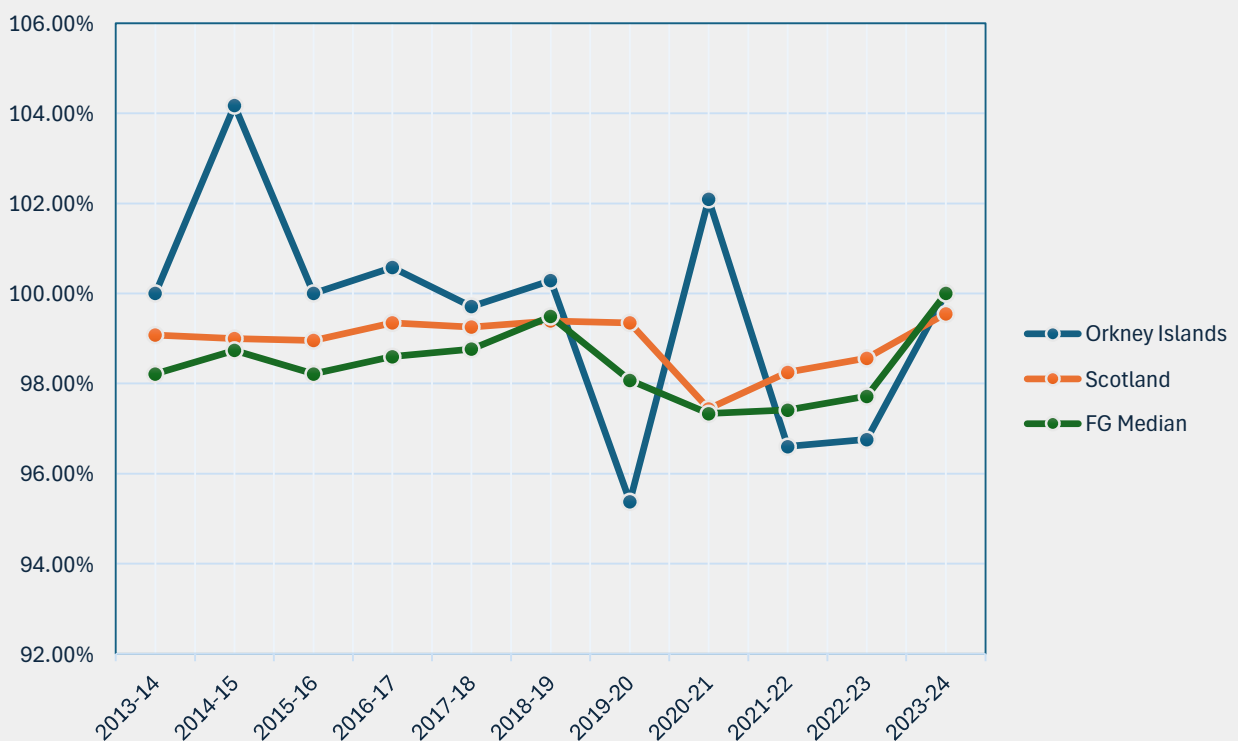
### FINSUS5 – Actual Outturn as a Percentage of Budgeted Expenditure.

The actual spend recorded in the Budget Outturn reports for 2023/24 was £104,923,600. The original 2023/24 budget was £100,981,000. A percentage spend against the original budget of 103.9%. The revised budget, including redeterminations and contributions from reserves, was £103,630,900 reducing the percentage spend against budget to 101.4%.

Baseline 2020/21	Performance 2023/24	Target 2027/28
102.09%	100%	100%

Rank out of 32 Scottish Councils		
2022/23	21	
2023/24	12	

### ACTUAL OUTTURN AS A PERCENTAGE OF BUDGETED EXPENDITURE




Priority: Transforming Our Council

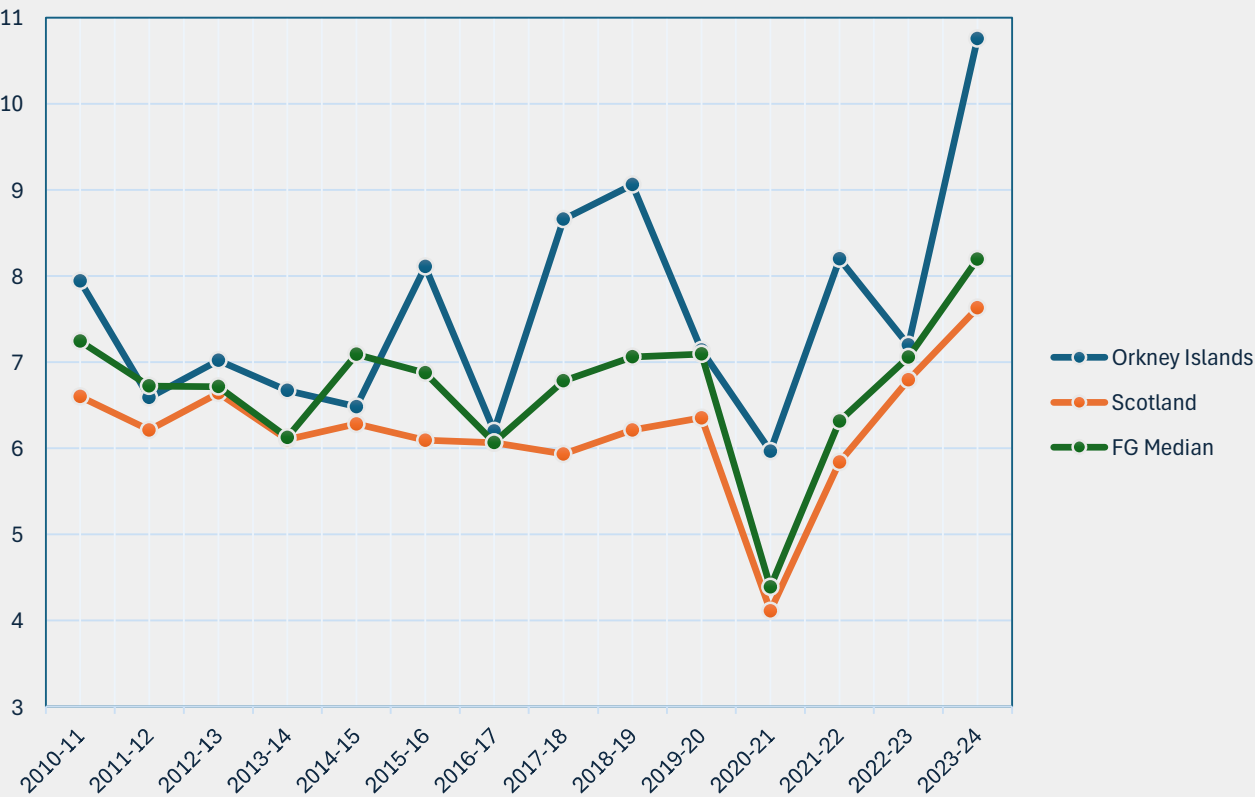
CORP6a – Sickness Absence Days per Teacher.

Sickness absence has increased since pre-covid levels, which is consistent with the picture elsewhere in the country. The Corporate Leadership Team have agreed to have a renewed focus on reducing absence, and new initiatives in terms of health and wellbeing continue to be rolled out to help support attendance.

Baseline 2021/22	Performance 2023/24	Target 2027/28
8.2	10.76	6

Rank out of 32 Scottish Councils		
2022/23	22	
2023/24	31	

SICKNESS ABSENCE DAYS PER TEACHER




Priority: Transforming Our Council

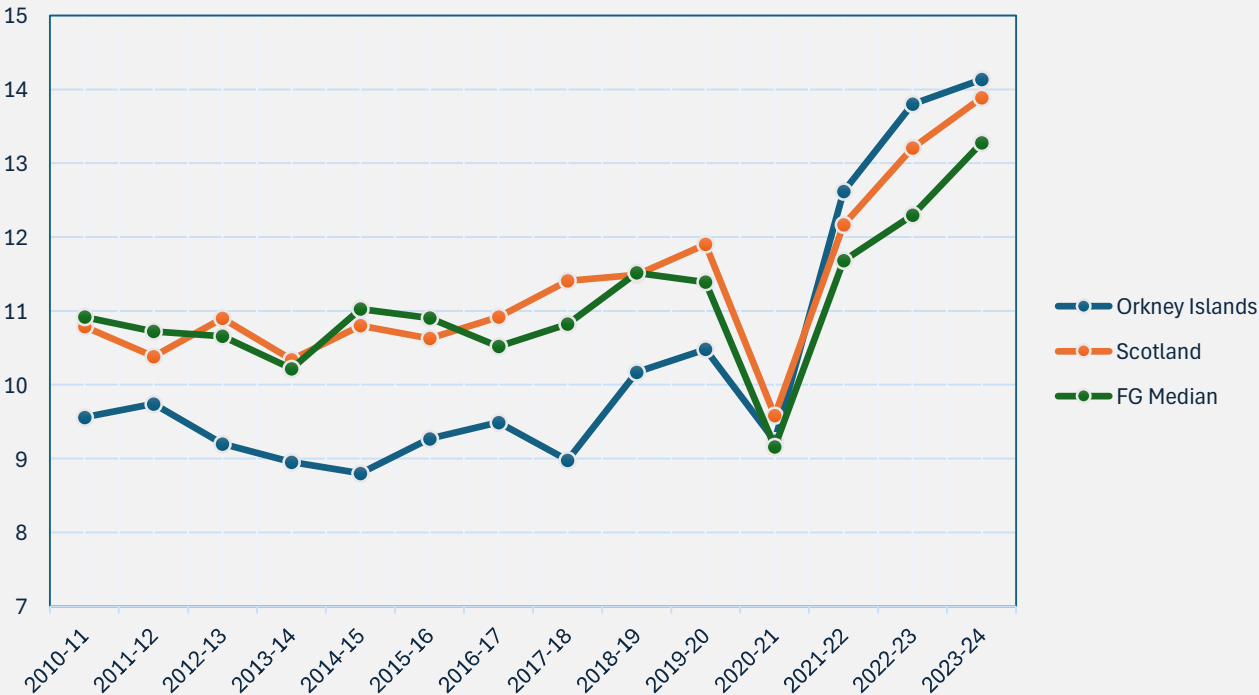
CORP6b – Sickness Absence Days per Employee (Non-Teacher)

Sickness absence has increased since pre-covid levels, which is consistent with the picture elsewhere in the country. The Corporate Leadership Team have agreed to have a renewed focus on reducing absence, and new initiatives in terms of health and wellbeing continue to be rolled out to help support attendance.

Baseline 2021/22	Performance 2023/24	Target 2027/28
12.62	14.13	9

Rank out of 32 Scottish Councils		
2022/23	19	
2023/24	19	

SICKNESS ABSENCE DAYS PER EMPLOYEE (NON-TEACHER)



## Local Government Benchmarking Framework

### Additional notes on individual indicators

**CORP-ASSET01 – Proportion of Operational Buildings that are Suitable for their Current Use:**

This indicator reflects the extent to which buildings are suitable for use and delivery of services, and for individual buildings there are 4 categories defined:

A: Good - Performing well and operating effectively (physical element carries out function totally as new including consideration of the transverse elements),

B: Satisfactory - Performing adequately but showing minor deterioration (physical element carries out function satisfactorily, may show signs of age and including consideration of some transverse elements),

C: Poor - Showing major defects and/or not operating adequately (physical element does not carry out function effectively without continuous repair, shows signs of age and does not consider most of the transverse elements),

D: Bad - Economic life expired and/or risk of failure.

**HSN5 – Percentage of Council Dwellings that are Energy Efficient.**

The data for this indicator is based on the Energy Efficiency Standard for Social Housing (EESH) which assesses a property's efficiency in terms of the rating given on the property's Energy Performance Certificate (EPC rating).

Further information about how the EESH thresholds are set and the milestones for improvement are available on the Scottish Government's website using the link below:

<https://www.gov.scot/policies/home-energy-and-fuel-poverty/energy-efficiency-in-social-housing/>





# Local Government Benchmarking Framework

## 2023/24 Indicators not included in Council Plan

<b>Contents</b>	
<b>Children's Services.</b>	Page 2
<b>Corporate Services.</b>	Page 3
<b>Adult Social Care.</b>	Page 4
<b>Culture and Leisure Services.</b>	Page 5
<b>Environmental Services</b>	Page 5
<b>Housing Services</b>	Page 6
<b>Corporate Assets.</b>	Page 7
<b>Economic Development.</b>	Page 7
<b>Financial Sustainability.</b>	Page 8
<b>Tackling Climate Change</b>	Page 8

## Children's Services

LGBF Indicator	2022/23	2023/24
CHN1 – Cost per primary school pupil.	£11,445	£11,631
CHN2 – Cost per secondary school pupil.	£13,481	£14,305
CHN3 – Cost per pre-school education place.	£10,348	£12,390
CHN5 – Percentage of pupils gaining 5+ awards at level 6.	31%	37%
CHN8a – Gross cost of looked after children in residential-based services per child per week.	£4713 (2021-22)	£4522 (2022-23)
CHN8b – Gross cost of looked after children in a community setting per child per week.	£513 (2021-22)	£746 (2022-23)
CHN9 – Percentage of children being looked after in the community.	71.4% (2021-22)	66.7% (2022-23)
CHN10 – Percentage of adults satisfied with local schools.	88.3% (2020-23)	82.3% (2021-24)
CHN11 – Percentage of pupils entering positive destinations.	94.4%	95.26%
CHN12a – Overall average total tariff.	918	947
CHN12c – Average total tariff SIMD quintile 2.	775	827
CHN12d – Average total tariff SIMD quintile 3.	1,140	1037
CHN12e – Average total tariff SIMD quintile 4.	925	924
CHN12f – Average total tariff SIMD quintile 5.	801	1190
CHN17 – Percentage of children meeting developmental milestones.	88.9% (2021-22)	87.1% (2022-23)
CHN18 – Percentage of funded early years provision which is graded good / better.	90%	90.5%
CHN19a – School attendance rate.	91.2%	90.9%

## Children's Services (continued)

LGBF Indicator	2022/23	2023/24
CHN21 – Participation rate for 16 to 19 year olds.	94.2%	93.5%
CHN22 – Percentage of child protection re-registrations within 18 months.	0% (2021-22)	0% (2022-23)
CHN23 – Percentage of looked after children with more than one placement in the last year (August to July).	25.7% (2021-22)	16.7% (2022-23)

## Corporate Services

LGBF Indicator	2022/23	2023/24
CORP1 – Support services as a percentage of total gross expenditure.	4.8%	5.4%
CORP3b – Percentage of the highest paid 5% employees who are women.	38.3%	34.4%
CORP3c – The gender pay gap.	6.7%	3.9%
CORP4 – The cost per dwelling of collecting Council Tax.	£17.79	£20.14
CORP7 – Percentage of income due from Council Tax received by the end of the year.	98.8%	97.5%
CORP8 – Percentage of invoices that were paid within 30 days.	84.1%	87.6%
CORP9 – Percentage of crisis grant decisions within one day.	98.75%	97%
CORP10 – Percentage of community care grant decisions within 15 days.	98.75%	100%

## Corporate (continued)

LGBF Indicator	2022/23	2023/24
CORP11 – Percentage of Scottish Welfare Fund budget spent.	70.46%	88.09%
CORP12 – Proportion of Discretionary Housing Payments funding spent.	70.12%	82%

## Adult Social Care

LGBF Indicator	2022/23	2023/24
SW1 – Home care costs per hour for people aged 65 or over.	£76.48	£64.99
SW2 – Self-directed support spend on adults 18+ as a percentage of total social work spend on adults 18+.	5.94%	5.39%
SW3a – Percentage of people aged 65 and over with long-term care needs receiving personal care at home.	52.4%	58.3%
SW4c – Percentage of adults supported at home who agree they are supported to live as independently as possible.	90.23% (2021-22)	77.67% (2023 – 24)
SW4e – Percentage of carers who feel supported in their caring role.	42.45% (2021-22)	33.95% (2023-24)
SW5 – Residential costs per week per resident for people aged 65 or over.	£1,268	£1,310
SW6 – Rate of readmission to hospital within 28 days per 1,000 discharges.	69.05	64.87
SW7 – Proportion of care services graded 'good' or better in Care Inspectorate inspections.	67%	70.7%
SW8 – Number of days people spend in hospital when they are ready to be discharged, per 1,000 population (75+).	497.54	954.28

## Culture and Leisure Services

LGBF Indicator	2022/23	2023/24
C&L1 – Cost per attendance at sports facilities.	£1.20	£1.41
C&L2 – Cost per library visit.	£1.03	£0.74
C&L3 – Cost per visit to museums and galleries.	£7.21	£4.38
C&L4 – Cost of parks and open spaces per 1,000 population.	£18,015	£19,545
C&L5a – Percentage of adults satisfied with libraries.	89.3% (2020-23)	87% (2021-24)
C&L5b – Percentage of adults satisfied with parks and open spaces.	83% (2020-23)	81% (2021-24)
C&L5c Percentage of adults satisfied with museums and galleries.	84.7% (2020-23)	84.3% (2021-24)
C&L5d – Percentage of adults satisfied with leisure facilities.	83.3% (2020-23)	82% (2021-24)

## Environmental Services

LGBF Indicator	2022/23	2023/24
ENV1a – Net cost per waste collection per premise.	£94.07	£80.26
ENV2a – Net cost of waste disposal per premise.	£168.94	£165.94
ENV3a – Net cost of street cleaning per 1,000 population.	£18,254.75	£17,000
ENV3c – Street cleanliness score.	100.00	96.89
ENV4a – Cost of roads per kilometre.	£7,111	£5,979

## Environmental Services (continued)

LGBF Indicator	2022/23	2023/24
ENV4b – Percentage of A class roads that should be considered for maintenance treatment.	26.29% (2021-23)	28.98% (2022 -24)
ENV4c – Percentage of B class roads that should be considered for maintenance treatment.	19.33% (2021-23)	20.78% (2022 – 24)
ENV4d – Percentage of C class roads that should be considered for maintenance treatment.	15.42% (2021-23)	16.61% (2022-24)
ENV4e – Percentage of unclassified roads that should be considered for maintenance treatment.	23.67% (2019-23)	21.24 (2020-24)
ENV5 – Cost of trading standards and environmental health per 1,000 population.	£47,098	£45,091
ENV5a – Cost of trading standards, money advice and citizen advice per 1,000 population.	£11,882	£11,818
ENV5b – Cost of environmental health per 1,000 population.	£35,215	£33,273
ENV6 – Percentage of household waste arising that is recycled.	23.30%	21.40%
ENV7a – Percentage of adults satisfied with refuse collection.	76.7% (2020-23)	77.3% (2021-24)
ENV7b – Percentage of adults satisfied with street cleaning.	67.33% (2020-23)	70.67% (2021-24)

## Housing Services

LGBF Indicator	2022/23	2023/24
HSN1b – Gross rent arrears (all tenants) as at 31 March each year as a percentage of rent due for the reporting year.	12.65%	12.58%
HSN2 – Percentage of rent due in the year that was lost due to voids.	1.32%	1.49%



## Housing Services (continued)

LGBF Indicator	2022/23	2023/24
HSN4b – Average number of days taken to complete non-emergency repairs.	15.16	17.23

## Corporate Assets

LGBF Indicator	2022/23	2023/24
CORP-ASSET2 – Proportion of internal floor area of operational buildings in satisfactory condition.	93%	93%

## Economic Development

LGBF Indicator	2022/23	2023/24
ECON1 – Percentage of unemployed people assisted into work from Council operated / funded employability programmes.	28.5%	30%
ECON2 – Cost of planning and building standards per planning application.	£6,206	£6,322
ECON3 – Average time per business and industry planning application (weeks).	10.23	10.55
ECON6 – Investment in economic development and tourism per 1,000 population.	£163,909	£165,455
ECON8 – Proportion of properties receiving superfast broadband.	70.46%	76.90%
ECON9 – Town vacancy rates.	4%	9%
ECON10 – Immediately available land as a percentage of total land allocated for employment purposes in the Local Development Plan.	8.84%	86.9%

## Economic Development (continued)

LGBF Indicator	2022/23	2023/24
ECON11 – Gross Value Added per capita.	£22,759 (2021-22)	£23,558 (2022-23)
ECON12a - Claimant Count as a % of Working Age Population	1.57%	1.55%
ECON12b – Claimant count as a percentage of population aged 16 to 24.	2.71%	2.43%

## Financial Sustainability

LGBF Indicator	2022/23	2023/24
FINSUS1 – Total usable reserves as a percentage of Council annual budgeted revenue.	272.60%	251.40%
FINSUS2 – Uncommitted general fund balance as a percentage of Council annual budgeted net revenue.	12.6%	3.4%
FINSUS3 – Ratio of financing costs to net revenue stream – general fund.	0.70	1.3
FINSUS4 – Ratio of financing costs to net revenue stream – housing revenue account.	18.00	19.5

## Tackling Climate Change

LGBF Indicator	2021/22	2022/23
CLIM03 - CO2 emissions from transport per capita	580.42 (2021-22)	100.01 (2022-23)
CLIM04 - CO2 emissions from electricity per capita	135.71 (2021-22)	128.04 (2022-23)