

8. LOCAL GOVERNMENT IN SCOTLAND FINANCIAL OVERVIEW 2017/18

The committee considered a report (copies of which had been circulated) by the Head of Finance and Property Services which provided a summary of the *Local Government in Scotland Financial Overview 2017/18* report published by the Accounts Commission on 29 November 2018 and outlined officer responses to the points included in the scrutiny tool for councillors, shown as Appendix 1 of the report.

The Accounts Commission report provided a high level view of the challenges facing councils, how well councils were addressing those challenges and what more they could do to maintain or improve services for the public within reduced resources. The Accounts Commission expected councillors and senior council officers to use the report as a source of information to support their complex and demanding role.

The Accounts Commission report identified key messages for councillors and summarised key issues on local authority budgets and spending in 2017/18; it then went on to provide the financial outlook facing councils and to describe potential implications for the council.

During discussion, an update on teachers' pay award and pensions was provided; pay negotiations were ongoing, while according to COSLA 2/3 of the pensions increase would be funded by Scottish Government and 1/3 by local authorities. The committee was informed that the council's revenue budget model would be updated to reflect the outcomes of the negotiations.

It was recommended that the Audit Committee:

1. Note the key messages included in the report;
2. Note officer responses to the points raised within the councillors' scrutiny tool which could be used by elected members to help them better understand the council's financial position and to scrutinise financial performance.

Decision

To note the terms of the report.