

WEST DUNBARTONSHIRE COUNCIL

Report by Chief Officer - Resources

Audit Committee: 16 June 2021

Subject: Accounts Commission report: Local government in Scotland Overview 2021

1. Purpose of Report

- 1.1 The purpose of this report is to provide Committee with information on a national audit report, for information and consideration, which has been received from the Accounts Commission.

2. Recommendations

- 2.1 Committee is invited to note the attached report and the report's key messages as detailed at 4.1 below.

3. Background

- 3.1 The Accounts Commission report: *Local government in Scotland Overview 2021*, published on 27 May 2021, is the latest in a series of reports on local government in Scotland. It is also the first in a series of reports that will reflect the evolving and long-term nature of the impact of COVID-19. It considers the initial response phase to the pandemic from March 2020; and provides case study examples of council responses to the challenges. The report advises:

"The report this year is taking place amidst the Covid-19 pandemic, which has created an unprecedented set of issues and challenges for councils, their partners and for communities. The shape of the recovery and renewal curve is not yet clear, nor are many of the longer-term impacts on the economy, communities, and public services."

4. Main Issues

- 4.1 The report identifies a number of key messages:

Key message headline	Key message detail
The Covid-19 pandemic is having a profound impact on all aspects of society, including the economy, jobs, and the physical and mental health of the public	The negative impacts have been greater for those already experiencing socio-economic disadvantage, and existing inequalities have intensified. Councils have been at the centre of the response to the pandemic, supporting communities through these difficult times. They responded quickly and put their initial focus on maintaining service delivery and protecting communities.

<p>Relationships with communities have been vital</p>	<p>Councils and communities have worked well together to manage local responses to Covid-19. These included supporting initiatives to promote wellbeing and support people who were shielding and facilitating community support hubs. Existing partnerships that were stronger before the pandemic made a smoother transition into the response phase, as there were fewer barriers. Moreover, some communities were able to offer a faster and more targeted response and deliver some vital services as a result of having fewer formal decision-making structures. In some cases, Community Planning structures have been strengthened and community groups have been able to work more flexibly, demonstrating the value of community empowerment.</p>
<p>Levels of service disruption have varied</p>	<p>Services such as education, social care and culture and leisure were badly affected, while other core services continued on a reduced basis. Services that could be delivered by people working from home were most resilient. The disruption to services had significant negative impacts on vital areas and on some client groups. These included carers who lacked access to respite care, people with learning disabilities who lacked access to important services and wider support, and school children, who experienced significant disruption to their education. Communities experienced significant service disruptions alongside the wider impact of the pandemic. This created further challenges including job losses and increased economic uncertainty, the impact on people's mental health, and increased child protection risks during lockdown.</p>
<p>Some services were delivered virtually</p>	<p>For example, education continued where students were able to access learning materials online. Councils worked fast to enable homeworking for staff and to provide innovative IT (information technology) solutions. There were challenges for some councils in the early days of the move to homeworking, including limited internet connectivity and</p>

	insufficient supplies of IT equipment to enable the required numbers of staff to work remotely.
The workforce demonstrated the versatility to take on new roles	Staff were redeployed from services that were closed or reduced into services facing increased pressure while working at pace under challenging circumstances. There will be an increased need in future for staff to be agile as services continue to evolve in line with the pandemic and the recovery phases. Councils must also manage the pressures on staff to ensure their people are not put at risk of burnout as the pandemic continues.
There were significant changes in council governance and processes	At the onset of the crisis, councils suspended or revised their meeting schedules, and adopted different approaches to decision-making. Virtual meetings were established in growing numbers of councils, and all councils now hold remote meetings. There is now less reliance on delegation to officers or emergency committees than in the early stage of the pandemic, but councils must continue to balance the need for urgent decision-making with transparency.
Councils continue to face significant financial challenges, and these have been exacerbated by the pandemic	The Convention of Scottish Local Authorities (COSLA) estimated that the total net financial impact of Covid-19 in 2020/21 would be £767 million. This includes forecast financial pressures of £855 million, with loss of income accounting for around £400 million of this total. The financial pressures have been offset slightly by estimated cost reductions of £88 million from a range of areas such as lower property costs and reduced school meal costs.
The Scottish Government has provided substantial additional financial support, but the nature and timing of funding has created further challenges for councils	Funding announced by the Scottish Government by February 2021 is likely to support councils in covering the net financial impact of the pandemic for 2020/21. This additional funding includes a significant element of one-off grant funding, therefore this may present financial sustainability risks for some councils in future years. Furthermore, funding announcements have been frequent but not regular, and in some cases specific conditions are attached. This has created

	<p>an additional administrative burden for the Scottish Government and councils arising from awarding and accepting grants and completing the related reporting requirements.</p>
<p>Councils have started to plan for longer term recovery from the crisis</p>	<p>While restarting services is led largely by national guidance, and the response to a second wave of Covid-19, councils are beginning to think about how to rebuild local economies and support communities in the long term. Councils will play a pivotal role in this, and as they progress through the recovery phases, there must be recognition that a return to ‘business as usual’ will not be possible and that the negative impacts of the pandemic will be felt for years to come. Councils’ recovery plans have signalled this kind of thinking, focusing on areas that were already priorities before the pandemic, such as digital, tackling inequalities and climate change. We are still learning about the significant long-term challenges, and councils’ recovery and renewal plans should address the longer-term implications of the pandemic for local economies, communities and individuals. Recovery plans must also recognise the longstanding issues of inequality that exist and set out actions to address the differential impact of Covid-19 on different groups.</p>
<p>There has been some ongoing learning resulting from the emergency response to the pandemic</p>	<p>Councils’ service delivery arrangements and working practices changed at an unprecedented pace and on a scale that would have been considered impossible in the past. The need to respond quickly with simplified procedures has allowed councils to operate more flexibly and achieve outcomes that would previously have taken much longer. For example, the use of digital technology, to support changes to service delivery and councils’ governance arrangements, has accelerated at a greater pace than many councils had planned for or thought achievable. It is important that councils now consolidate and build on the factors that allowed this level of change and innovation to take place so quickly. Councils should also identify the positive</p>

	<p>developments to take forward into renewal planning to maintain this momentum. It is also important for councils to avoid the risk of reverting to 'business as usual' in areas where new ways of working are having positive outcomes, for example flexible working and an increase in digitally enabled services. We will consider further lessons learned in more detail in future local government overview reports.</p>
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4.2 Throughout the report there are sections highlighting lessons learned and also some examples of practices implemented by a number of Councils.

4.3 Throughout the pandemic the key messages identified within the Accounts Commission report were key issues for the Council and continue to be as the pandemic continues. Officers have provided regular COVID-19 Update reports to Council updating the Council response to the pandemic, how it is affecting our residents and businesses and how they have been supported, how services have continued or been changed due to COVID-19 restrictions, how our workforce has adapted and changed approach and roles as appropriate throughout, how temporary changes to governance structures have worked and advised on delegated decisions made, the projected financial impact and Scottish Government funding provision, recovery approaches and lessons learned have been considered.

4.4 The ongoing and longer-term prevalence of COVID-19 and impact on our communities, finances, approaches to working, etc. are still not known and the messages and lessons learned within this report will allow the council to consider ongoing approaches and interventions. The report is clear that:

“adverse effects of the Covid-19 pandemic on different communities will last for years to come. Some people have faced greater hardship than others, and inequalities have increased in areas such as health, deprivation, employment and digital access. Communities have been integral in supporting councils and their partners’ responses to the pandemic. Covid-19 recovery planning needs a sustained focus on addressing inequalities with community empowerment at its heart.”

5. People Implications

6.1 There are no people implications arising from this report.

7. Financial and Procurement Implications

7.1 There are no financial or procurement implications arising from this report.

8. Risk Analysis

8.1 There are no risks directly arising from this report.

9. Equalities Impact Assessment (EIA)

9.1 No issues were identified in a screening for potential equality impact of this report.

10. Environmental Sustainability

10.1 No assessment of environmental sustainability was required in relation to this report.

11. Consultation

11.1 Legal and Financial Officers have been consulted in preparing this report.

12. Strategic Assessment

12.1 The report is for noting and, therefore, does not directly affect any of the strategic priorities, though clearly the issues identified may well impact on the achievement of the strategic priorities.

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Date: 3 June 2021

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Appendix: Account Commission's 'Local Government in Scotland
Overview 2021'

Background Papers: None

Wards Affected: All wards