

City Chambers  
DUNDEE  
DD1 3BY

17th September, 2024

## **Membership**

Bailie Kevin Keenan  
Bailie Helen Wright  
Bailie Fraser Macpherson  
Bailie Derek Scott  
Depute Lord Provost Kevin Cordell  
Bailie Christina Roberts  
Councillor Nadia El-Nakla  
Councillor Lynne Short

Dear Colleague

You are requested to attend a MEETING of the **SCRUTINY COMMITTEE** to be held remotely on Wednesday, 25th September 2024 at 2.00 pm. Substitute members are allowed.

Members of the Press or Public wishing to join the meeting should contact Committee Services on telephone (01382) 434228 or by email at [committee.services@dundeecity.gov.uk](mailto:committee.services@dundeecity.gov.uk) by 5.00 pm on Monday, 23rd September 2024.

Yours faithfully

GREGORY COLGAN

Chief Executive

## **1 DECLARATION OF INTEREST**

Members are reminded that, in terms of The Councillors Code, it is their responsibility to make decisions about whether to declare an interest in any item on this agenda and whether to take part in any discussions or voting.

This will include all interests, whether or not entered on your Register of Interests, which would reasonably be regarded as so significant that they are likely to prejudice your discussion or decision making.

## **2 APPOINTMENT OF SCOTTISH FIRE & RESCUE SERVICE LOCAL COMMANDER FOR TAYSIDE - APPOINTMENT OF POLICE SCOTLAND DIVISIONAL COMMANDER FOR TAYSIDE**

The purpose of this Agenda Note is to advise Committee of the appointment by the Scottish Fire & Rescue Service of Area Commander Bryan Todd to the statutory role of Local Senior Officer for Tayside. The Committee is further advised of the permanent appointment by Police Scotland of Chief Superintendent Nicola Russell to the role of Divisional Commander of Tayside.

The Committee's approval is sought.

In view of the timescales involved this Agenda Note was approved by the Chief Executive in consultation with the Convener of the Scrutiny Committee, Depute Convener of the Scrutiny Committee, Scottish National Party Group Spokesperson and Scottish Conservative and Unionist Party Member.

**3 FIRE AND RESCUE QUARTERLY PERFORMANCE REPORT - Page 1**

(Report No 267-2024 by Area Commander Todd, copy attached).

**4 DUNDEE POLICING AREA QUARTERLY POLICE REPORT - Page 25**

(Report No 268-2024 by Chief Superintendent Russell, copy attached).

**5 AUDIT SCOTLAND BEST VALUE THEMATIC REVIEW 2023/2024 - Page 61**

(Report No 258-2024 by the Executive Director of Corporate Service, copy attached).

**6 DUNDEE CITY COUNCIL 2023/2024 - ACCOUNTS AND AUDIT**

(a) **EXTERNAL AUDITOR'S REPORT - Page 99**

(Report No 264-2024, copy attached).

(b) **RESPONSE TO THE EXTERNAL AUDITOR'S ANNUAL AUDIT REPORT - TO MEMBERS OF DUNDEE CITY COUNCIL AND THE CONTROLLER OF AUDIT FOR THE YEAR ENDED 31ST MARCH, 2024 - Page 185**

(Report No 265-2024, copy attached).

(c) **DRAFT AUDIT STATEMENT OF ACCOUNTS**

(i) **Audited Dundee City Council Annual Accounts 2023/2024 - Page 189**

(Report No 259-2024, copy attached).

(ii) **Audited Dundee City Charitable Trusts Annual Accounts 2023/2024 - Page 343**

(Report No 260-2024, copy attached).

(iii) **Audited Lord Provost of Dundee Charity Fund Annual Accounts 2023/2024 - Page 363**

(Report No 261-2024, copy attached).

(iv) **Audited The Dundee Trust Annual Accounts for the period ended 24th April, 2024 - Page 373**

(Report No 262-2024, copy attached).

(v) **Audited Fleming Trust Annual Accounts 2023/2024 - Page 383**

(Report No 263-2024, copy attached).

**7 INTERNAL AUDIT PLAN UPDATE AND PROGRESS REPORT - Page 399**

(Report No 253-2024 by the Chief Internal Auditor, copy attached).

**8 INTERNAL AUDIT REPORTS - Page 413**

(Report No 254-2024 by the Chief Internal Auditor, copy attached).

**9 OTHER REPORTS RELEVANT TO THE REMIT OF THE SCRUTINY COMMITTEE -  
Page 421**

(Report No 255-2024 by the Chief Internal Auditor, copy attached).

**10 NATIONAL FRAUD INITIATIVE - Page 427**

(Report No 256-2024 by the Executive Director of Corporate Services, copy attached).

**11 CORPORATE FRAUD TEAM ACTIVITY AND PERFORMANCE, INCLUDING  
WHISTLEBLOWING 2023/2024 - Page 469**

(Report No 257-2024 by the Executive Director of Corporate Services, copy attached).

**12 COUNCIL PLAN 2022/2027 - PROGRESS REPORT FOR 2023/2024 - Page 477**

(Report No 166-2023 by the Chief Executive, copy attached).

(This report was remitted to this Committee for further consideration as agreed at the meeting of the City Governance Committee of 24th June 2024).

**13 LOCAL GOVERNMENT BENCHMARKING FRAMEWORK PERFORMANCE INDICATORS  
2022/2023 - Page 541**

(Report No 93-2024 by the Chief Executive, copy attached).

(This report was remitted to this Committee for further consideration as agreed at the meeting of the City Governance Committee of 10th June 2024).

**14 LOCAL GOVERNMENT BENCHMARKING FRAMEWORK – SUPPLEMENTARY REPORT  
FOR REDUCING CHILD POVERTY AND INEQUALITIES INDICATORS - Page 595**

(Report No 216-2024 by the Chief Executive, copy attached).

**15 RISK MANAGEMENT ANNUAL REPORT - Page 601**

(Report No 154-2024 by the Executive Director of Corporate Services, copy attached).

(This report was remitted to the Committee for further consultation as agreed at the meeting of City Governance Committee of 10th June 2024).

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**NOT PROTECTIVELY MARKED****REPORT TO: DUNDEE CITY COUNCIL COMMUNITY SAFETY AND PUBLIC  
PROTECTION COMMITTEE****REPORT NUMBER – 267-2024****25<sup>th</sup> September 2024****Report by Area Commander Bryan Todd, Local Senior Officer,  
Scottish Fire and Rescue Service**

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**SUBJECT: FIRE AND RESCUE QUARTERLY PERFORMANCE REPORT  
1<sup>st</sup> April TO 30<sup>th</sup> June 2024****Abstract**

The Report contains performance information relating to the first quarter (April - June) of 2024-2025 on the performance of the Scottish Fire and Rescue Service in support of Member scrutiny of local service delivery.

**1 PURPOSE OF THE REPORT**

To provide information for the Committee regarding the performance of the Scottish Fire and Rescue Service against the priorities, outcomes and performance measures detailed within the Local Fire and Rescue Plan for Dundee 2020–2023, to facilitate local scrutiny.

**2 RECOMMENDATIONS**

It is recommended that members:

Note, scrutinise and question the content of this report.

**3 FINANCIAL IMPLICATIONS**

None.

**4 BACKGROUND**

- 4.1 The Local Fire and Rescue Plan for Dundee 2020-2023 was approved by the Community Safety and Public Protection Committee on 16 November 2020. In support of delivering the priorities in this plan, twelve headline indicators are utilised as performance measures and form the basis of quarterly monitoring reports.
- 4.2 The priorities and outcomes contained within the Local Fire and Rescue Plan reflect 'place' and the contribution of the Scottish Fire and Rescue Service to the City Plan for Dundee 2017-2026.

4.3 In summary the following priorities are detailed within the plan:

- Priority 1 – Improving Fire Safety in the Home
- Priority 2 – Improving Fire Safety and Resilience in the Business Community
- Priority 3 – Minimising the Impact of Unintentional Harm
- Priority 4 – Reducing Unwanted Fire Alarm Signals
- Priority 5 – Reducing Deliberate Fires
- Priority 6 – Effective Risk Management and Operational Preparedness

4.4 Appendix 1 attached to this report provides a detailed breakdown and analysis of all data collected during the reporting period. In addition, further sections are included to provide Members with an overview of a range of community safety engagement events and partnership working. Furthermore, it highlights any notable incidents and events.

## **5 EQUALITY IMPACT ASSESSMENT**

5.1 Not applicable.

## **6 ENVIRONMENTAL ISSUES**

6.1 There are no environmental issues arising as a consequence of this report.

## **7 SUMMARY**

7.1 The attached report updates members regarding significant community safety engagement activities and gives context to the performance of the Scottish Fire and Rescue Service in the Dundee area against headline indicators and performance measures.

**Area Commander Bryan Todd**  
**Local Senior Officer**  
**Perth & Kinross, Angus and Dundee**  
Scottish Fire and Rescue Service  
Blackness Road  
Dundee  
DD1 5PA



## QUARTERLY MONITORING REPORT

*Covering the activities and performance in support of the Local Fire and Rescue Plan for Dundee 2020-2023*

**Quarter One: 2024-25**

## **ABOUT THE STATISTICS IN THIS REPORT**

The activity totals and other statistics quoted in this report are provisional in nature and subject to change as a result of ongoing quality assurance and review.

Because all statistics quoted are provisional there may be differences in the period totals quoted in our reports after original publication which result from revisions or additions to the data on our systems.

From 2015-16 onwards responsibility for the publication of end-year statistical data transferred from the Scottish Government to the SFRS. This change of responsibility does not change the status of the figures quoted in this and other SFRS reports reported to the Committee.



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## INTRODUCTION

This is the quarter one (Q1) monitoring report for 2024/25, covering the SFRS's performance and activities in support of the six priorities in the Local Fire and Rescue Plan for Dundee 2020-2023, namely:

- Priority 1 - Improving fire safety in the home
- Priority 2 - Improving fire safety and resilience in the business community
- Priority 3 - Minimising the impact of unintentional harm
- Priority 4 - Reducing unwanted fire alarm signals
- Priority 5 - Reducing deliberate fires
- Priority 6 - Effective risk management and operational preparedness













As well as supporting the six priorities in the Local Fire and Rescue Plan for Dundee, this monitoring report shows how SFRS activities and performance contribute to the wider priorities of the Dundee Partnership as set out in the City Plan for Dundee 2017-2026.

The figures in this report are provisional, to provide the Committee with the SFRS's direction of travel in the Dundee area, in terms of performance against headline indicators and targets. Most figures will not change; however, members should note that there may be some small variations for some indicators when the final confirmed figures are published by the SFRS.




The Community Safety and Public Protection Committee agreed the new Local Fire and Rescue Plan for Dundee 2020-2023 on 16 November 2020. In support of delivering the priorities in this plan, 12 headline indicators and targets have been set and form the basis of this quarterly monitoring report.

## PERFORMANCE SUMMARY

The table below provides a summary of 2024/25 Q1 activity and year to date (YTD) performance against headline indicators and annual targets. It aims to provide at a glance, our direction of travel during the current reporting year.

<p><b>HI 1</b> <b>Accidental Dwelling Fires (ADF)</b></p>  <p><b>Q1 – 40 Incidents</b> <b>YTD – 40 incidents</b> <b>Annual Target – below 175</b></p>	<p><b>HI 2</b> <b>ADF Fatal Casualties</b></p>  <p><b>Q1 – 0</b> <b>YTD – 0</b> <b>Annual Target – 0</b></p>	<p><b>HI 3</b> <b>ADF Non-Fatal Casualties</b></p>  <p><b>Q1 – 7</b> <b>YTD – 7</b> <b>Annual Target – below 30</b></p>
<p><b>HI 4</b> <b>Non-Domestic Building Fires</b></p>  <p><b>Q1 – 8 Incidents</b> <b>YTD – 8 Incidents</b> <b>Annual Target – below 37</b></p>	<p><b>HI 5</b> <b>Fatal Casualties in Non-Domestic Building Fires</b></p>  <p><b>Q1 – 0</b> <b>YTD – 0</b> <b>Annual Target – 0</b></p>	<p><b>HI 6</b> <b>Non-Fatal Casualties in Non-Domestic Building Fires</b></p>  <p><b>Q1 – 0</b> <b>YTD – 0</b> <b>Annual Target – below 2</b></p>
<p><b>HI 7</b> <b>Road Traffic Collision (RTC) Incidents</b></p>  <p><b>Q1 – 10 Incidents</b> <b>YTD – 10 Incidents</b> <b>Annual Target – below 41</b></p>	<p><b>HI 8</b> <b>Fatal RTC Casualties</b></p>  <p><b>Q1 – 0</b> <b>YTD – 0</b> <b>Annual Target – 0</b></p>	<p><b>HI 9</b> <b>Non-Fatal RTC Casualties</b></p>  <p><b>Q1 - 4</b> <b>YTD - 4</b> <b>Annual Target – below 19</b></p>
<p><b>HI 10</b> <b>Unwanted Fire Alarm Signals</b></p>  <p><b>Q1 – 155 Incidents</b> <b>YTD – 155 Incidents</b> <b>Annual Target – below 1176</b></p>	<p><b>HI 11</b> <b>Deliberate Primary Fires</b></p>  <p><b>Q1 – 18 Incidents</b> <b>YTD - 18 Incidents</b> <b>Annual Target – below 63</b></p>	<p><b>HI 12</b> <b>Deliberate Secondary Fires</b></p>  <p><b>Q1 – 150 Incidents</b> <b>YTD - 150 Incidents</b> <b>Annual Target – below 512</b></p>

### Year-to-Date Legend

	<p><b>Below headline target</b></p>
	<p><b>Less than 10% above headline target</b></p>
	<p><b>More than 10% above headline target</b></p>

## PERFORMANCE HIGHLIGHTS

Of the 12 headline indicators and targets, the following summary should be noted for Q1 2024/25:

### Priority 1 - Improving fire safety in the home

The number of accidental dwelling fires has decreased on the same quarter last year and is lower than the three-year trend. 31/40 of these incidents resulted in either no fire damage or limited fire damage and were caused by cooking. There were no fatal fire casualties in Q1. Non-fatal fire casualties followed the three-year trend with 6 persons receiving precautionary checks or first aid at the scene and only one removed to hospital with minor injuries.

### Priority 2 - Improving fire safety and resilience in the business community

There were eight fires across the city that required limited interventions from Fire Fighters, this is the lowest number for Q1 over the past four years and below the Scottish Average. They were spread across different property types and so no trends. Zero fatal and non-fatal casualties.

### Priority 3 - Minimising the impact of unintentional harm

There were Ten RTC incidents attended by SFRS in Q1 this is an increase on same quarter last year, these appear to be mostly low speed impacts with only one extrication required and two persons given assistance to leave vehicles. Three persons were removed to hospital for slight injuries. No trends identified in locations or time of incidents.

### Priority 4 - Reducing unwanted fire alarm signals

SFRS attended 164 UFAS incidents in Q1, this is circa 50% drop on the same quarter last year. A detailed list of the top five property types and causation is included on page 15 of this report. Meetings have been held between SFRS Dundee management team and the Prevention, Protection and Preparedness Team to target reoffending properties with an aim to support, educate and drive down UFAS in the city.

### Priority 5 - Reducing deliberate fires

There were 18 deliberate primary fires in Q1, this is a significant drop on last year's Q1 and the three-year average. These incidents are across all the wards with vehicle fires accounting for circa 66% of the incidents. This increase is offsetting the gains made in other areas of reduction.

The number of deliberate secondary fires in Q1 was 150, this is the lowest number over the past four years, but this exceeds the quarterly target set. Over 20 different categories but mainly bins, grass, loose rubbish, or playparks.

### Priority 6 - Effective risk management and operational preparedness

Firefighters continue to deliver preventative educational information in the domestic, educational and business settings at every opportunity. They also focus on maintaining and enhancing their skills in preparedness for operational incidents through a range of activities including training and information gathering in their local area.

Full details of Q1 activity on page 18 of this report and the appendices at the end.

**PRIORITY 1 - IMPROVING FIRE SAFETY IN THE HOME**

**HI 1 – Accidental Dwelling Fires (ADF)**

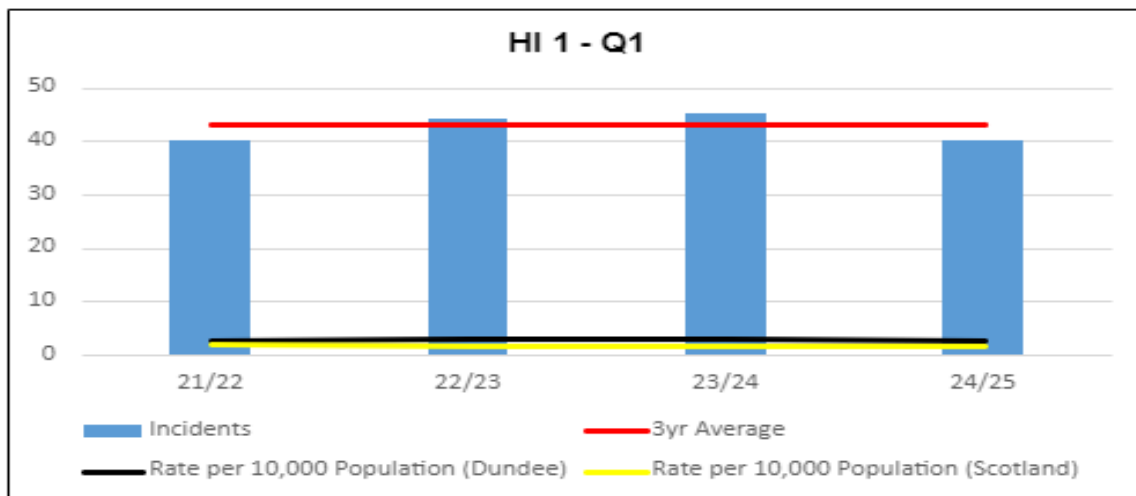


Table 1: Year to Date Performance

	21/22	22/23	23/24	24/25	YTD	Annual Target
HI 1: ADF's	40	44	45	40	Green	Below 175

**HI 2 - ADF Fatal Casualties & HI 3 - ADF Non-Fatal Casualties**

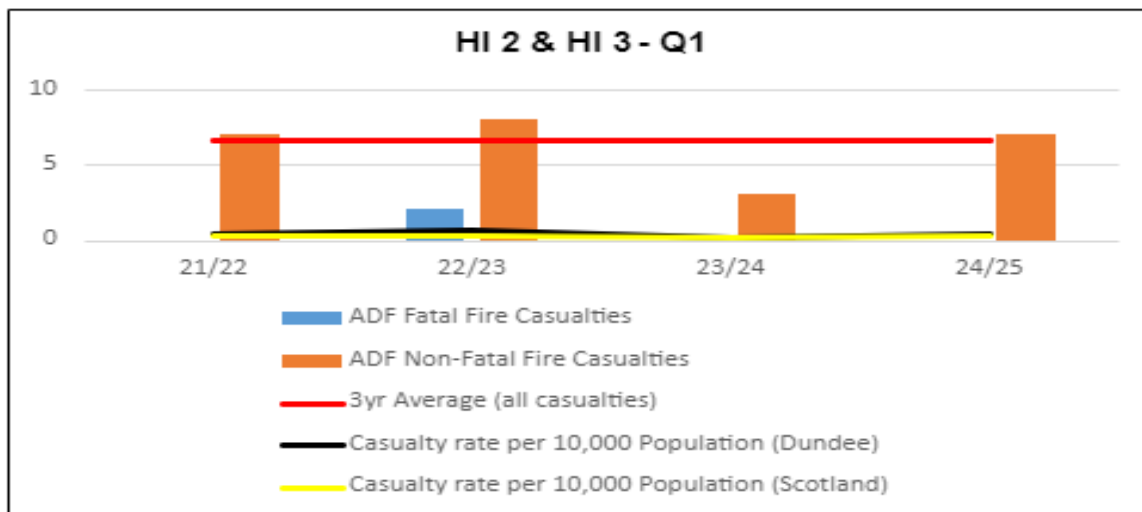


Table 2: Year to Date Performance

	21/22	22/23	23/24	24/25	YTD	Annual Target
HI 2: ADF Fatal Casualties	0	0	2	0	Green	0
HI 3: ADF Non-Fatal Casualties	7	8	3	7	Green	Below 30

### Indicator Description

The largest single type of primary fire in Dundee is accidental fires in the home and their prevention is a key focus of the Service's community safety activity.

#### **HI 1 – Accidental Dwelling Fires (ADF)**

As a headline target, the aim is to reduce the rate of ADF's by keeping these incidents below 175, during 2024/25

#### **HI 2 – ADF Fatal Casualties**

This indicator concentrates on members of the community for whom fire has been clearly identified as the cause of death, even if they die some-time after the actual fire. Those who die at, or after, the fire but where fire is not identified as the cause of death, are not included within these figures.

As a headline target, the optimum aim is to always strive to have zero ADF Fatal Casualties in Dundee City.

#### **HI 3 – ADF Non-Fatal Casualties**

This headline target counts all types of non-fatal fire injury in the home, including precautionary checks.

As a headline target, the aim is to reduce the risk of injury from fire in the home by keeping fire injuries below 30, during 2024/25

### What we aim to Achieve

As well as helping to deliver Priority One: *Improving Fire Safety in the Home*, meeting the headline targets will also support the long-term ambition of the City Plan for Dundee and supports achievement of the following local outcomes:

- Our people will be better educated and skilled within a city renowned for learning and culture;
- Our children will be safe, healthy, achieving, nurtured, active, respected, responsible and included;
- People in Dundee will be able to live independently and access support when they need it;
- Our communities will be safe and feel safe.

### Performance Management

SFRS Dundee CAT and local crews continue to be fully engaging with all aspects of the community delivering High Risk HFSV's. Several High-profile partnership visits in Q1, close working with DIDARS, Police Scotland, Dundee Housing and Community Mental Health Teams. 394 visits delivered during Q1 with a focus on High Risk and working through pending lists, Station Commanders now have regular meetings with CAT to co-ordinate resources and streamline admin processes to address pending lists. There were 48 Post Domestic Incident Responses were carried out within Dundee City giving guidance and reassurance following incidents relating to house fires. The CAT are in the process of re linking with community groups and attending at LCPP's in each ward to understand better the issues and concerns in each area and provide a targeted approach. Awareness presentations were delivered to partners for identification of Hoarding and Self Neglect to support education of key workers and better outcomes.

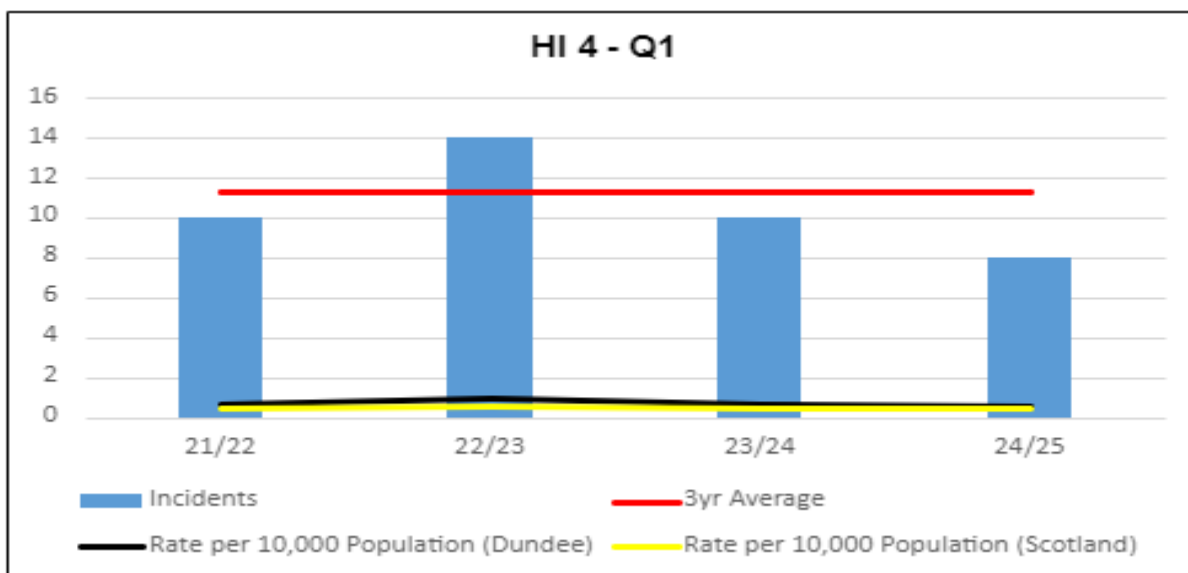


Table 3: Year to Date Performance

	21/22	22/23	23/24	24/25	YTD	Annual Target
HI 4: Non-Domestic Building Fires	10	14	11	8	Green	Below 37

**HI 5 – Fatal Fire Casualties in Non-Domestic Buildings & HI 6 – Non-Fatal Fire Casualties in Non-Domestic Buildings**

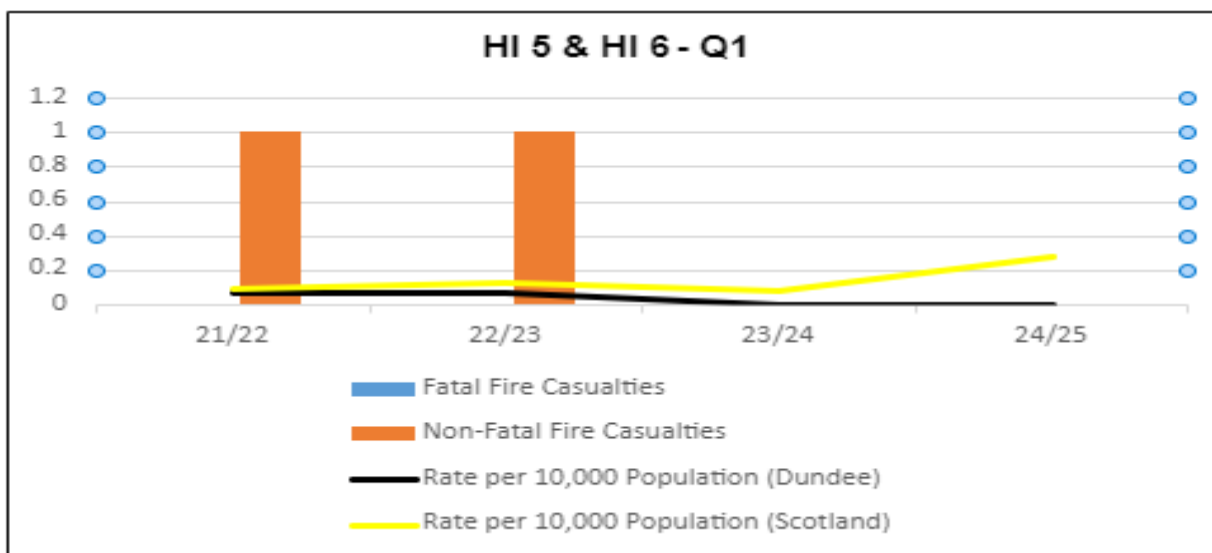


Table 4: Year to Date Performance

	21/22	22/23	23/24	24/25	YTD	Annual Target
HI 5: Fatal Fire Casualties	0	0	0	0	Green	0
HI 6: Non-Fatal Fire Casualties	1	1	0	0	Green	Below 2



## Indicator Description

These headline indicators and targets cover the types of non-domestic buildings applicable to Part 3 of the Fire (Scotland) Act 2005 ('The Act') (e.g. care homes, hotels and hospitals) and is designed to reflect the effectiveness of fire safety management in respect of these types of buildings.

### HI 4 - Non-Domestic Building Fires Applicable to the Act

As a headline target, the aim is to reduce the rate of accidental fires in non-domestic buildings (where 'The Act' applies), by keeping these fires below 37 in Dundee during 2024/25

### HI 5 – Fatal Fire Casualties in Non-Domestic Building Fires Applicable to the Act

This indicator counts those people for whom fire has been clearly identified as the cause of death, even if they die some time after the actual fire. Those who die at, or after, the fire but where fire is **not** identified as the cause of death are not included in these figures. As a headline target, the aim is to have zero Fatal Fire Casualties in non-domestic buildings applicable to the Act, in Dundee during 2024/25

### HI 6 – Non-fatal Fire Casualties in Non-Domestic Building Fires Applicable to the Act

This headline target counts all types of non-fatal fire injury in non-domestic buildings, including precautionary checks. As a headline target, the aim is to reduce risk of injury from fire in non-domestic buildings, by keeping fire injuries at one in Dundee during 2024/25

## What we aim to Achieve

As well as helping to deliver Priority Two: *Improving Fire Safety and Resilience in the Business Community*, meeting the headline targets will also support the long-term ambition of the City Plan for Dundee and supports achievement of the following local outcomes:

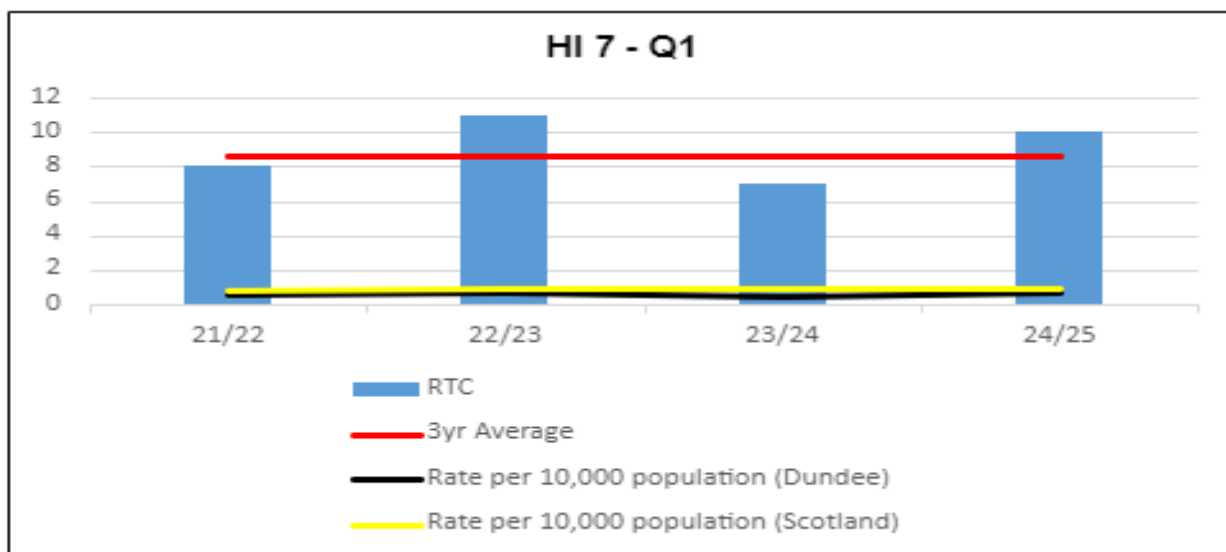
- Dundee will be an internationally recognised city at the heart of a vibrant region with more and better employment opportunities for people;
- Our communities will be safe and feel safe;
- Our people will live in strong, popular and attractive communities.

## Performance Management

During Q1 a total of 75 premises that fall within the scope of the Act were audited. The breakdown of these are as follows: 43 HMOs; 2 hotels; 3 schools; 3 museums; 13 self-catering premises; 6 licensed premises; 1 engineering workshop; 1 shop; 1 theatre; 2 other buildings open to the public. Of these, 6 were Post Fire Audits to provide support and guidance following an event (4 licensed premises, 1 workshop and 1 shop).

No patterns or trends were identified across these premises and support and guidance were given to improve fire safety management in the workplace in relation to the cause of the incidents. Other work has included working with NHS Management and other duty holders to reduce instances of false alarm activations. 8 high rise inspections have been carried out; 2 sports ground inspections have been carried out as part of Dundee City Council Sports Ground Advisory Group. Staff have also dealt with business-as-usual complaints and concerns as they were submitted to SFRS staff.

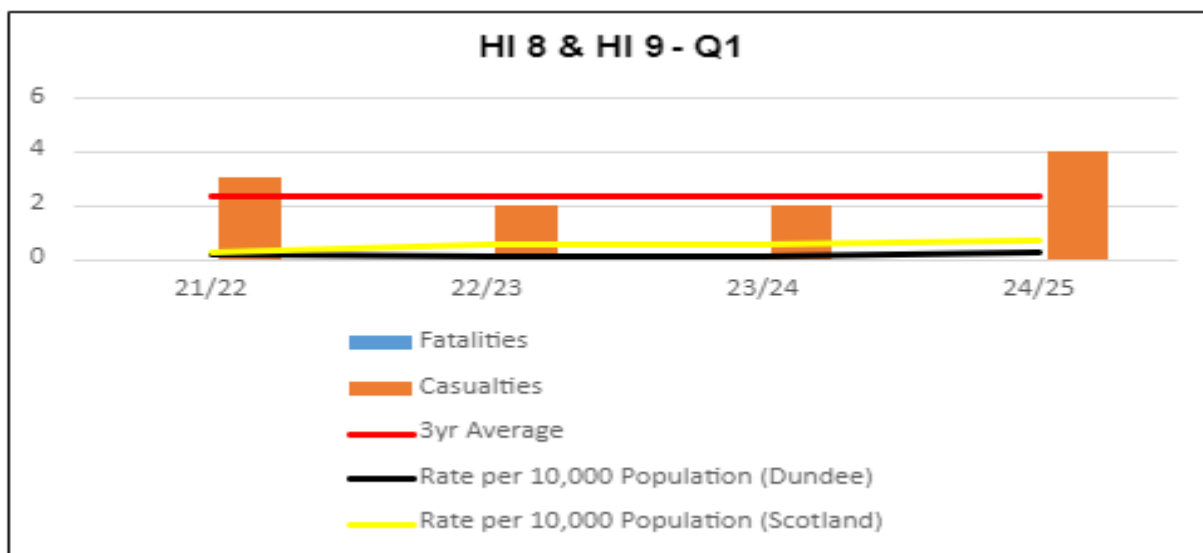
**HI 7 – Road Traffic Collision (RTC) Incidents**



**Table 5: Year to Date Performance**

	21/22	22/23	23/24	24/25	YTD	Annual Target
HI 7: RTC Incidents	8	11	7	10	Green	Below 41

**HI 8 – Fatal RTC Casualties & HI 9 – Non-Fatal RTC Casualties**



**Table 6: Year to Date Performance**

	21/22	22/23	23/24	24/25	YTD	Annual Target
HI 8: Fatal RTC Casualties	0	0	1	0	Green	0
HI 9: Non-Fatal RTC Casualties	3	2	1	4	Green	Below 19

### Indicator Description

The SFRS has become increasingly involved in more non-fire related prevention work, in support of its role in promoting the wider safety and well-being of its communities, including minimising the impact of unintentional harm. The headline indicators and targets reflect the fact that most of non-fire related casualties attended by the SFRS in Dundee are at RTC Incidents.

#### HI 7 - RTC Incidents

As a headline target, the aim is to reduce the rate of RTC incidents, by keeping them below 41 during 2024/25

#### HI 8 – Fatal RTC Casualties

As a headline target, the aim is to reduce the risk of death from RTC's in Dundee, by keeping the number of fatal RTC casualties at 0 during 2024/25

#### HI 9 - Non-fatal RTC Casualties

As a headline target, the aim is to reduce the risk of injury from RTC's in Dundee, by keeping non-fatal RTC casualties below 19 during 2024/25

### What we aim to Achieve

As well as helping to deliver Priority Three: *Minimising the Impact of Unintentional Harm*, meeting the headline targets will also support the long-term ambition of the City Plan for Dundee and supports achievement of the following local outcomes:

- Our people will be better educated and skilled within a city renowned for learning and culture
- Our children will be safe, healthy, achieving, nurtured, active, respected, responsible and included
- People in Dundee will be able to live independently and access support when they need it
- Our communities will be safe and feel safe

### Performance Management

The Dundee Community Action Team (CAT) and operational crews are actively looking to support Police Scotland colleagues to get the road safety message across, the “New Driver Scheme” is a fantastic resource and with Virtual Headsets and video there can be a positive change made. Engagement with schools needs to be addressed and established through better communication to maximise the delivery to all Secondary schools in the city.

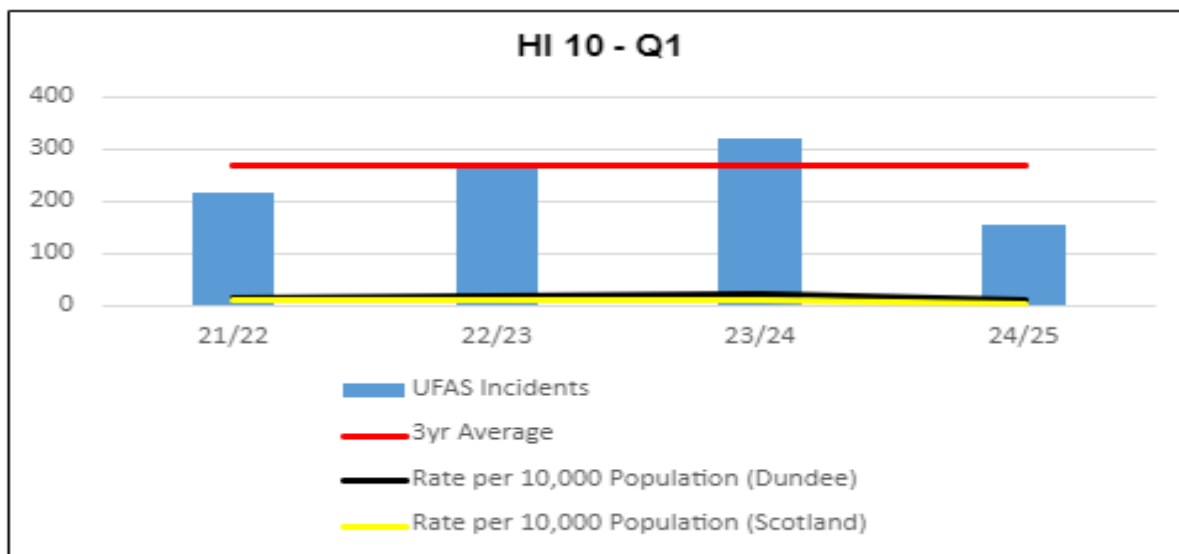
SFRS continue to share the Road Safety Scotland message through their community teams and operational crews. CAT have been working on pilot projects and activities (Safer Dundee) that reduce unintentional harm within the Dundee catchment the team have been working in partnership with the Anti-Social behaviour team, Police Scotland, Explore and the community wardens' team to deliver educational and diversionary messages

CAT are working with partners to extend the “Safer Dundee” Schools Transition pilot where nine Primary Schools (P7) received a multi-faceted educational initiative. These events delivered safety awareness and training in CPR, Water Awareness, Road Safety Awareness and education around the impact of deliberate fire raising.

The events were well received and SFRS working with partners are looking to extend this programme with a desire to reach all primary Schools in the city at P7 prior to the transition to high schools across Dundee. This will only be possible with a collaborative approach and sound communication strategies.

**PRIORITY 4 – REDUCING UNWANTED FIRE ALARM SYSTEMS**

**HI10 – Unwanted Fire Alarm Signals (UFAS)**



**Table 7: Year to Date Performance**

	21/22	22/23	23/24	24/25	YTD	Annual Target
<b>HI 10: UFAS Incidents</b>	215	272	321	<b>164</b>	<b>Green</b>	<b>Below 1176</b>

**Indicator Description**

Automatic Fire Alarms (AFA) are fundamental to providing early warning from fire, giving people the chance to evacuate safely. However, to be effective, they must be properly installed and maintained, and a good fire safety management regime must be in place by the duty holder, so they do not activate when there is no fire.

Every Unwanted Fire Alarm Signal from an AFA has an impact in terms of unnecessary blue light journeys, redirecting SFRS resources away from other activities such as community safety work and causing considerable disruption to businesses.

**HI 10 – Unwanted Fire Alarm Signals (UFAS)**

As a headline target, the aim is to improve fire safety management and awareness, by reducing the number of attendances to unwanted fire alarm signals (UFAS) from automatic systems in non-domestic buildings to less than 1176 during 2024/25

### What we aim to Achieve

As well as helping to deliver Priority Four: *Reducing Unwanted Fire Alarm Signals*, meeting the headline targets will also support the long-term ambition of the City Plan for Dundee and supports achievement of the following local outcomes:

- Dundee will be an internationally recognised city at the heart of a vibrant region with more and better employment opportunities for people;
- Our people will be better educated and skilled within a city renowned for learning and culture;
- Our children will be safe, healthy, achieving, nurtured, active, respected, responsible and included;
- Our communities will be safe and feel safe.

### Performance Management

In Q1, SFRS were called out to 164 UFAS incidents in the city of Dundee. This is a decrease on the last quarter and less than half of the same quarter last year. Given the UFAS reduction strategy now being implemented we expect to see a drop in these numbers for Q2. Meaning less blue light journeys, increased appliance availability for incidents and less disruption to training and community safety events.

The table below lists the top five property types that had persistent call-outs due to UFAS during Q1.

Property Types	No. of UFAS
Hospitals/Medical Care	60
Student Halls of Residence	31
Sheltered Housing	11
Other type – Residential Home	10
Residential – Nurses Doctors accommodation	9

These incidents mainly occur around mealtimes with the cause trend being either cooking, faulty equipment or use of aerosols. Operational crews continue to advise and educate duty holders at every incident to reduce and prevent these types of unnecessary mobilisations. Most of these calls are preventable through behavioral change in the occupancy.

A focus on targeted UFAS engagement with partners, local premises and duty holders including management audits to support and educate repeat offenders to reduce unnecessary blue light journeys and not accept the overall reduction but focus on driving UFAS down in these premises to reduce the risk to Fire Fighters and public they present at every false alarm.

**PRIORITY 5 – REDUCING DELIBERATE FIRES**

**HI 11 – Deliberate Primary Fires**

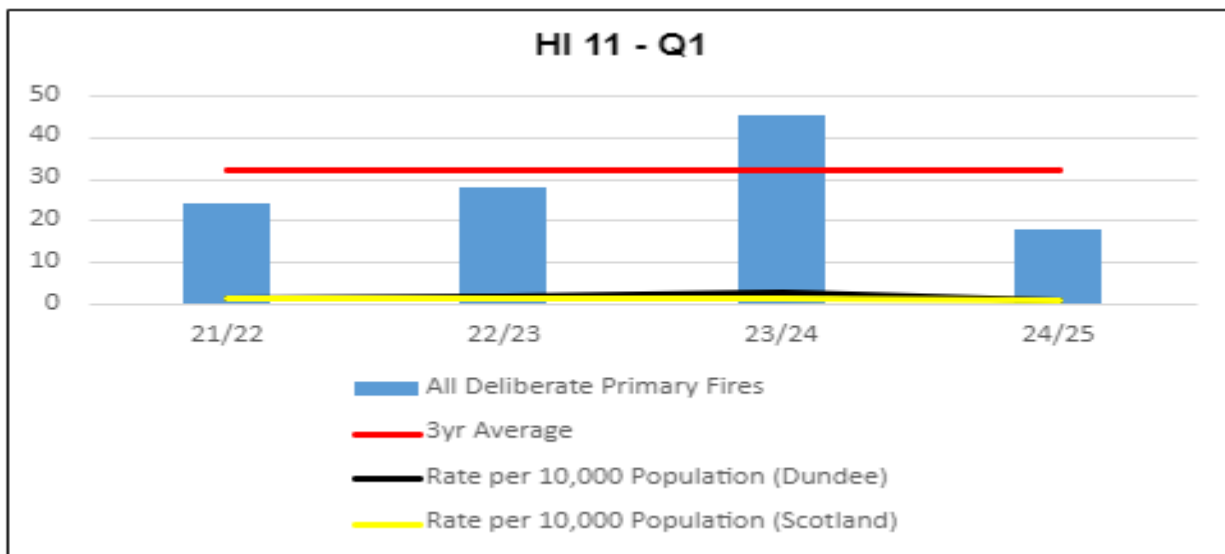


Table 8: Year to Date Performance

	21/22	22/23	23/24	24/25	YTD	Annual Target
HI 11: Deliberate Primary Fires	24	28	45	18	Red	Below 63

**HI 12 – Deliberate Secondary Fires**

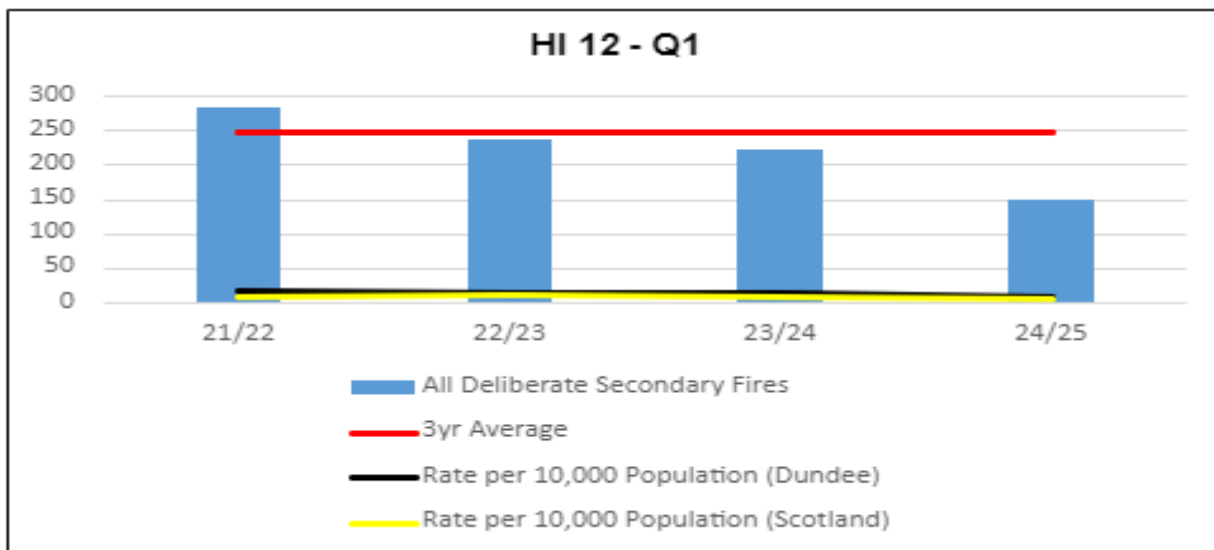


Table 9: Year to Date Performance

	21/22	22/23	23/24	24/25	YTD	Annual Target
HI 12: Deliberate Secondary Fires	282	237	222	150	Red	Below 512

### Indicator Description

These headline and indicator targets account for all types of fire that are believed to have been started intentionally and are categorised as Deliberate Primary Fires and Deliberate Secondary Fires.

#### HI 11 – Deliberate Primary Fires

These deliberate fires cover the following types:

- Fires in the home
- Fires in non-domestic buildings
- Fires in motor vehicles

As a headline target, the aim is to reduce the rate of deliberate primary fires in Dundee by keeping these fires below 63 during 2024/25.

#### HI 12 – Deliberate Secondary Fires

These deliberate fires cover the majority of outdoor fires including grassland and refuse fires and include fires in derelict buildings, but not chimney fires. As a headline target, the aim is to reduce the rate of deliberate secondary fires in Dundee by keeping these fires below 512 during 2024/25.

### What we aim to Achieve

As well as helping to deliver Priority Five: *Reducing Deliberate Fires*, meeting the headline targets will also support the long-term ambition of the City Plan for Dundee and supports achievement of the following local outcomes:

- Dundee will be an internationally recognised city at the heart of a vibrant region with more and better employment opportunities for people;
- Our children will be safe, healthy, achieving, nurtured, active, respected, responsible and included;
- Our communities will be safe and feel safe;
- Our people will live in strong, popular and attractive communities.

### Performance Management

Fire-related antisocial behaviour (FSAB) places a significant demand on the resources of the SFRS, other public services and communities. These acts include deliberate Fire setting, malicious actuation of fire alarm systems, hoax calls, hydrant abuse and attacks on personnel. The SFRS will work in partnership to deliver Fire Safety Support and Education (FSSE). Through a programme of targeted interventions, FSSE will offer a flexible approach to assist in the education of those 18 and under who demonstrate an unsafe or concerning interest in fire. Both operational crews and Community action teams have been working with internal and external partners including Police Scotland and Anti-Social Behaviour Teams at DCC to drive down incidents of this type. SFRS continue to work around and have a presence in areas where repeat incidents occur were we target schools and groups to engage in diversionary engagements when children can learn through practical learning or SFRS staff giving talks on the effects of FASB and wilful fire Raising in communities.

## PRIORITY 6 – EFFECTIVE RISK MANAGEMENT AND OPERATIONAL PREPAREDNESS

### Description

Risk Management and operational preparedness is a key area of work for the SFRS. In Dundee, this means:

- Knowing what the risks are in Dundee and then making plans, so we are resilient to respond to any event.
- Being prepared to respond to national threats or major emergencies.
- Developing flexibility to deploy crews, to take on a broadening role within the community.
- Firefighters being equipped to deal with emergencies safely and effectively and our stations being in a constant state of readiness.

As well as helping to deliver Priority Six: *Effective Risk Management and Operational Preparedness*, our activities will also support the long-term ambition of the City Plan for Dundee and supports achievement of the following local outcomes:

- Dundee will be an internationally recognised city at the heart of a vibrant region with more and better employment opportunities for people
- Our communities will be safe and feel safe
- Our people will live in strong, popular and attractive communities

### Activity

#### Training

During Q1 2024/25, we have delivered our quarterly training commitment to operational firefighters, whereby we trained and confirmed their preparedness to deal with:

- |                               |                           |
|-------------------------------|---------------------------|
| • Breathing Apparatus         | • Water Awareness         |
| • RTC Extrication (Practical) | • Safe Working @ Height   |
| • Pumps and Ladders           | • Professional Behaviours |
| • Knots and Lines             | • Mental Health Awareness |

#### Home Fire Safety Visits

Fire Fighters completed 394 visits in the quarter with 182 delivered to High-Risk properties. Fire fighters also delivered community safety advice following any domestic fire to properties in and around the area of the incident.

#### Community Work

Assisted Learning Support at Harris Academy - Blackness White watch supported the Assisted Learning Unit at Harris Academy with 4 visits, engaging with the children to form trust. This culminated in a station visit from the unit. Crews from Dundee stations also supported the Broughty Ferry Lifeboat Multi Agency Open Day, David Lloyds Mental Health Event and the Eastern Primary Summer Fair and provided Community Safety advice to the public and offers of Home Fire Safety Visits.

#### Operational Activity Spotlights

“Medical” and “Assist Other agencies” type incidents increased due to more direct requests from partner agencies in particular Police Scotland and Scottish Ambulance Service. Large decrease in secondary “other fires” however Secondary refuse fires shows a slight increase.



## APPENDIX 1: COMMUNITY SAFETY ENGAGEMENT AND NOTEWORTHY EVENTS

### Work Experience Students

Students from St Pauls and Grove Academy attended a 3-day work experience placement. During this time these young people were given an understanding of how the Fire Service works and all of its different functions within our communities. These Students are given tours around operational fire stations, operational control room and a tour round our support functions, recourse and store centre and workshops.

They are given an idea of how our Community Safety Department work and operates to reach the most vulnerable with HFSV, but the best part for them is when then can actively engage in firefighting activities and have an experience of moving in smoke and darkness rolling out delivery hose and casualty rescue. CSA Kevin Philip and Brogan Gilchrist are at the forefront of this school's engagement planning and liaising with school's work experience coordinators to identify young people who would benefit from this type of experience.



## Dundee East Primary Schools Transition Project

Quarter one saw the start of a collaboration between the nine Dundee East Primary Schools, Scottish Fire & Rescue Community Action Team, Police Scotland, Dundee City Council ASB, Communities, East Youth & Community Safety teams, Braeview Academy & Craigie High School. Our aim is to drive down all types of Anti-social behaviours by engaging in a fun way with Primary Seven pupils as they transition to High School and build a sense of pride and confidence in how young people see themselves, their community and City.



## APPENDIX 2: TRAINING EVENTS & NOTABLE INCIDENTS

### RNLI Broughty Ferry, Dundee visitation and joint exercise.

The Red watch from Blackness Road conducted a visitation and multi-agency exercise at the RNLI Broughty Ferry, Dundee.

Prior to the exercise, they received an excellent presentation, highlighting the abilities of the lifeboat station, craft and crews, then they completed a tour of the building and familiarisation tour of the lifeboat prior to commencing the exercise.

This consisted of a scenario where a casualty required to be extricated from the hull of the craft after sustaining injuries that made self-extrication unachievable.

SFRS committed two Compressed Air Breathing Apparatus wearers to locate the casualty and also set up Safe Working At Height equipment to safely move the casualty out of the small access hatch and up onto the craft deck.

This was a very informative and worthwhile exercise, giving SFRS crews a valuable insight to the work of the RNLI and prior knowledge of the craft layout should a future rescue be required.



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**OFFICIAL: POLICE AND PARTNERS****Dundee City Council****Dundee City Council Scrutiny Committee****Report No: 268-2024****DUNDEE LOCAL POLICING AREA****QUARTERLY POLICE REPORT****1 April 2024 – 30 June 2024****Report by Chief Superintendent Nicola Russell****Police Scotland D Division (Tayside)****1. RECOMMENDATION**

1.1 It is recommended that members note and scrutinise this operational report.

**2. BACKGROUND**

2.1 The purpose of this report (Appendix A) is to provide information to the Committee regarding the performance of Police Scotland to facilitate local scrutiny.

2.2 The content in this report is for information purposes to allow Board Members to conduct their scrutiny responsibilities.

**3. PERFORMANCE**

3.1 Appendix A will provide updates on:

- Quarter 1 Performance on a Page:

**OFFICIAL: POLICE AND PARTNERS**

**OFFICIAL: POLICE AND PARTNERS**

- Reduce the stigma and harm of drug use.
  - Target those involved in drugs supply
  - Address violence through preventative and enforcement measures
  - Deal with disorder and antisocial behaviour
  - Tackle acquisitive crime and support victims
  - Make our roads safer
  - Enable and support effective engagement and communication with the public
  - Seek out shared learning and training opportunities with partners
  - Embed environmental responsibility into current and future planning and estate management.
- Q4 (2023-2034) Update

**4. FINANCIAL IMPLICATIONS**

4.1. There are no financial implications as a result of this report.

**5. STAFFING IMPLICATIONS**

5.1 There are no staffing issues as a result of this report.

**6. ENVIRONMENTAL ISSUES**

6.1 This report does not have any impact on the environment.

**7. SUMMARY**

7.1 The attached report updates members regarding significant operational matters and performance of the local policing area.

**8. COMPLIANCE**

Is the proposal;

(a) Human Rights Act 1998 compliant? YES

(b) Equality & Diversity compliant? YES

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Dundee City Council Scrutiny and Audit Committee  
Quarter 1 ending 30 June 2024

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# Contents

Introduction and Overview of Local Policing Priorities

Police Scotland's strategic objectives

Dundee City Local Policing Plan 2023-2026

Quarter 1 Performance on a Page:

- Reduce the stigma and harm of drug use.
- Target those involved in drugs supply
- Address violence through preventative and enforcement measures
- Deal with disorder and antisocial behaviour
- Tackle acquisitive crime and support victims
- Make our roads safer
- Enable and support effective engagement and communication with the public
- Seek out shared learning and training opportunities with partners
- Embed environmental responsibility into current and future planning and estate management.
- Q4 (2023-2034) Update

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## Introduction and Overview of Local Policing Priorities

As from April 2013, the Police and Fire Reform (Scotland) Act 2012 has required Divisional Commanders to produce and publish a Local Policing Plan (LPP) for each local authority area. The Dundee LPP 2023-2026 clearly sets out the policing objectives for Dundee and will report to the Dundee Scrutiny and Audit Committee. Quarterly Performance Reports are produced to allow scrutiny by Dundee Scrutiny and Audit Committee.

This report covers the period from 1 April 2024 to 30 June 2024.

In line with the Dundee LPP, the Quarterly Performance Report provides a more holistic overview of progress across the service to meet our strategic outcomes. This approach provides a wider and more detailed picture of traditional policing performance measures, supplemented with additional insight and narrative to the many different aspects of policing and corporate support functions.

The measures are longer term focussed rather than reflecting the ongoing performance of the day-to-day operational challenges we face and aim to provide evidence of the effectiveness and impact of our services as a whole.

We have introduced several key performance measures and insights questions in support of our local police plan to focus attention on impact and outcomes. For example:

- How effective are the diversionary activities provided?
- How effective are the processes in place to prevent acquisitive crime?
- How well are we engaging with the public?
- What progress has been made in terms of collaboration and what percentage of the divisional estate is co-located with partners?

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To enable a more detailed examination by the Committee of specific local priorities and strategic outcomes, a 'Spotlight' focus will be provided on one of the priority areas on a quarterly basis. The Spotlight focus will rotate each quarter in line with the expected updates outlined in the Dundee LPP.

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**POLICE SCOTLAND**  
Keeping people safe  
POILEAS ALBA

## Plan On a Page - Dundee Local Policing Plan 2023-2026

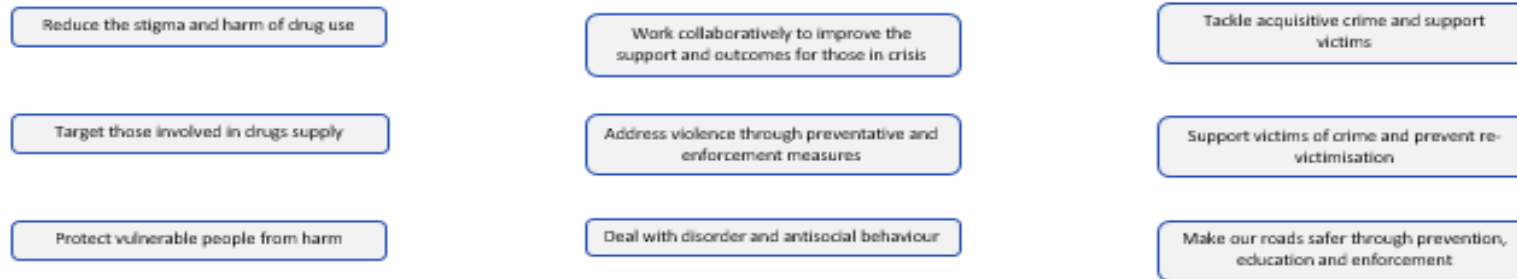
**Our Vision** Policing for a safe, protected and resilient **Scotland**  
**Our Purpose** Improve the safety and wellbeing of people, places and communities in **Scotland**  
**Our Values** Fairness Integrity Respect Human Rights

### PUBLIC HEALTH

#### Local Policing Priorities



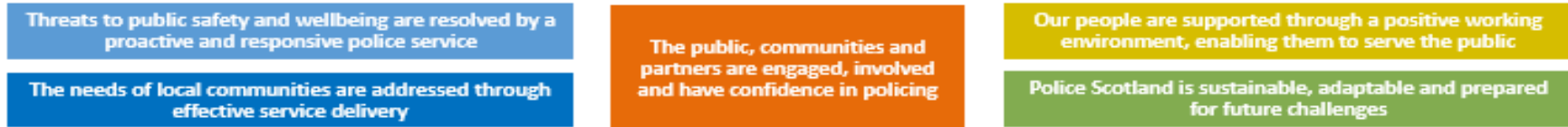
#### Local Policing Objectives



PERSON CENTRED APPROACH

PARTNERSHIPS

#### Police Scotland Strategic Outcomes



### PREVENTION & EARLY INTERVENTION

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Quarter 1 –  
Performance on  
a Page

	Recorded Crimes			%Change		Detection Rate			% point Change	
	CYTD	LYTD	5 Yr Av.	From LYTD	From 5 Yr Av.	CYTD	LYTD	5 Yr Av.	From LYTD	From 5 Yr Av.
<b>ASB and Disorder</b>										
Overall group 4	426	467	467	-8.8	-8.8	33.3	28.1	28.1	3.3%	-8.0%
ASB Incidents	3015	3214	3778	-6.2	-20.2	-	-	-	-	-
<b>Violence</b>										
Robbery	40	48	48	-16.7	-16.7	70.0	47.9	47.9	22.1	22.1
Serious Assault	24	33	33	-27.3	-27.3	75.0	57.6	57.6	17.4	17.4
Common Assault (excl EW)	494	463	463	6.7	6.7	66.8	67	67	-0.2	-0.2
<b>Public Protection</b>										
Overall Group 2	124	151	151	-17.9	-17.9	51.6	79.5	79.5	-27.9	-27.9
Rape	20	29	29.0	-31.0	-31.0	65.0	96.6	96.6	-31.6	-31.6
Domestic Abuse	39	32	32	21.9	21.9	71.8	81.3	81.3	-9.5	-9.5
<b>Road Safety</b>										
Speeding offences	45	77	77.0	-41.6	-41.6	95.6	100.0	100.0	-4.4	-4.4
Drink / Drug Driving	65	45	45.0	44.4	44.4	103.1	95.6	95.6	7.5	7.5
<b>Acquisitive Crime</b>										
HBs	109	136	136.0	-19.9	-19.9	47.7	41.9	41.9	5.8	5.8
Motor Vehicle Crime	142	217	217	-34.6	-34.6	33.1	21.7	21.7	11.4	11.4
Fraud	153	162	162.0	-5.6	-5.6	15.0	13.6	13.6	1.5	1.5
Shoplifting	534	545	545.0	-2.0	-2.0	44.6	41.7	41.7	2.9	2.9

Overall Group 2' All Sexual Crimes including Rape & Attempts, Indecent & Sexual Assaults, Prostitution Offences and 'Other' Group 2 Crimes.

Overall Group 4' All Fireraising, Vandalism, Reckless Conduct and 'Other' Group 4 Crimes.

## Local Priority/Activity – Reduce the stigma and harm of drug use.

### Dundee Alcohol and Drug Partnership (ADP)

The overall aim of Dundee Alcohol & Drug Partnership is to prevent harms that are associated with alcohol and drug use in our communities. Police Scotland form part of the ADP and work in partnership with services, communities and people with lived experience to understand our local communities and how best to support them. The ADP influence change in policy, systems and institutions and work to reduce the misinformation and stigma about alcohol and other drugs.

### The Substance Trend Monitoring Group

We continue to monitor drug trend alerts from RADAR and ensure pharmacies are engaging with substances users to be mindful of what they are sourcing. A&E and NHS Navigators are now part of this group ensuring a wider capture of current drug trends.

### Dundee Non-Fatal Overdose Pathway (NFOD)

Officers within the Partnerships team continue to attend the Daily Multi-Agency Near-Fatal Overdose meetings sharing relevant information in relation to any person who has experienced a non-fatal overdose as a result of the consumption of suspected illicit substances.

Over the period of 1<sup>st</sup> April 30<sup>th</sup> June 2024 there were 74 discussions held at the Dundee NFOD with a multi-agency response developed to ensure a holistic approach is taken to the interventions applied, with positive engagement and harm reduction delivered for those involved.

### Naloxone

In Q1, Tayside has recorded 12 incidents. (Angus 3, Dundee 9, Perth 0). In the previous Quarter, Dundee recorded 2 incidents, which was considerably lower than average.

**Wider Vulnerability**

Over the reporting period the Partnership's Team have continued to focus on the progression of joint visits to vulnerable members of the community, working with statutory and 3<sup>rd</sup> sector partners to provide follow up contact and re-assurance crime prevention advice, with examples including victims of online frauds, dishonesties, robberies, sextortion and violence.

**Keep Safe Update**

Currently there are 42 Keep Safe places across Dundee with all venues recently re-visited to ensure compliance to the required standards, with further visits arranged for potential new locations. Training has also been delivered to the Police Scotland Youth Volunteers who will support awareness raising and compliance check moving forward.



## Local Priority/Activity – Target those involved in drugs supply

A coordinated response to tackling drugs supply in Dundee and supporting those who are victims of Drug Supply perpetrators and suffer from drug addiction remain a priority.

The Divisional Serious Organised Crime Team have a particular focus in this area and are currently enforcing operations in Dundee and wider Tayside area.

There were 27 offences recorded in Q1 which is the same number as recorded during the previous quarter and slightly lower than the 30 reported within the corresponding period last year. Detection rates continue to be positive, averaging 96%.

Across the reporting period, the dedicated Serious Organised Crime Unit (SOC) executed 4 intelligence-led drugs search warrants. 2 of the 4 properties targeted contained drugs with approximately £28,100 worth of Herbal Cannabis found in 1 of the properties and £19,100 worth of cocaine in the other property. 2 persons were subsequently charged in connection with these offences.

Such activity aids in building our intelligence picture and serves to disrupt criminal activity.

In Q1, 92 possession of drug offences were recorded, which is lower than 134 offences recorded during the previous quarter and 136 recorded during the corresponding period the previous year.

On 30/07/24, a County Lines 'Day of Action' took place. Proactive foot patrols led to searches for controlled drugs being carried out in the area of the Hilltown, Dundee. Whilst no drugs were recovered, significant intelligence was obtained, connected to misuse of drugs. Police foot patrols did identify a 45-year-old male, who was traced in possession of a bladed article. 3 x cuckooing safeguarding visits carried out however no-one was traced but the SOC Team will pursue these visits.

In June 2024, Maryfield Community Policing Team carried out a Drug Search Warrant within a commercial premises in Albert Street, Dundee whereby £6000 of herbal cannabis was recovered and a vast quantity of anabolic steroids and prescription meds present.

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This execution indicated that more than £5000 a day was being made in the sale of these items and the business was a front for a drug dealing operation. 1 male was arrested and is to appear at Dundee Sheriff Court a later date.

Our Partnerships team continue to be heavily involved in all preventative workstreams around county lines. Visiting various partners to carry out Partner Intel Portal training and raising awareness with staff working alongside those who could be targeted and those engaged with vulnerable young people.

Sergeant Elise Wilson contributed to an interview with national media, which was aired on Wednesday 7<sup>th</sup> August and highlighted the effective partnership work we carry out, alongside Positive Steps, and was excellent in raising awareness to wider communities around the signs to look out for and prevent people becoming victims in the future.

## Local Priority/Activity – Address violence through preventative and enforcement measures

Tackling violent crime is part of Police Scotland's focus in ensuring the safety and wellbeing of our communities.

The report will provide a detailed breakdown of the levels of violent crime, exploring current trends and demonstrate the strategic and tactical approach adopted by Police Scotland in respect of crime prevention, investigation, and enforcement activity, highlighting the broad range of resources which are deployed daily to protect our communities.

### *Crime Categorisation and Investigative Response*

Crimes of violence are categorised into Murder, Attempted Murder, Serious Assault, Robbery and Common Assault.

In terms of the investigation of those more serious and complex investigations, Domestic Violence and Child Protection we have several specialist teams, all of which are led by Senior Investigating Officers. These teams come under the management of Tayside Division Criminal Investigation Department and our Public Protection Units. They are the Reactive CID, Domestic Abuse Investigation Unit (DAIU) and Child Protection Investigation Unit (CPIU).

Tayside Division is also fully supported by national units, which are geographically based within the Tayside geographic footprint and have a vital part to play in tackling violence in our local communities. These teams are managed by our Specialist Crime Division (SCD).

Major Investigation Team (MIT) – The North MIT leads on the investigation of murder inquiries and large scale and complex criminal investigations. A unit is based in Dundee.

National Domestic Abuse Task Force (NDATF) – Investigate serious and complex instances of domestic abuse. A unit is based in Forfar.

National Child Abuse Investigation Unit (NCAIU) – Investigate serious and complex crimes committed against children. A unit is based in Dundee.

*Statistical Analysis and Crime Management*

Tayside Division Community Analysts produce a detailed analysis, which allows senior officers to scrutinise reported crimes of violence in Dundee and react to emerging trends, deploying both local and national resources on an 'intelligence led' basis to prevent crimes of violence from taking place. This detailed approach to Tasking is governed via monthly Tasking and Coordinating Group meetings which are chaired by the Divisional Commander and attended by the full Senior Leadership Team.

**There have been no Murders or Culpable Homicides however there have been three attempted murders during the reporting period.**

Two of these crimes have been detected whilst enquiries continue into the outstanding crime with a positive line of enquiry being pursued.

In relation to the detected crimes, one occurred within a city centre licenced premises during which the victim suffered serious injuries whilst repeatedly kicked and punched by a group who were all under the influence of alcohol. Four males have been arrested and charged with this offence.

The other detected offence relates to a male who also suffered serious injuries as a result of being repeatedly struck to the head with a hammer by a known associate. The accused was arrested and remanded in custody.

The third and undetected offence involves a male being intentionally struck by a vehicle causing serious but non life-threatening injuries. The ongoing investigation is following positive lines of enquiry focused on identifying the driver.

**There have been 40 robberies recorded within this quarter.**

This represents a decrease from the 48 crimes reported in the corresponding quarter last year, however a slight rise on the previous quarter.

28 of these crimes have been detected giving a detection rate of 70%. The remaining 12 investigations are ongoing, and suspects have been identified in a number of these investigations meaning further detections are anticipated.

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Just over half of the loci were within residential premises and spread across the city however the City Centre and Hilltown areas feature heavily.

Further analysis revealed weapons such as knives and metal poles were used in the commission of these crimes.

**24 serious assaults were reported during this reporting period.**

This is a slight decrease on the 27 crimes reported the previous quarter and a decrease from the 33 reported during the corresponding period the previous year.

18 of these crimes have been detected giving a detection rate of 75%. Enquiries continue into the undetected crimes and further detections are anticipated.

Further analysis shows the majority offences occurred in open public spaces. Alcohol / drug abuse played a significant factor in these offences with a number perpetrators known to victims. It is apparent a significant number stemmed from feuds, mostly concerning the illicit drug use and /or supply.

Tackling violence has been a priority for Downfield Community Policing Team, achieved through a focus on hot spot locations, domestic offenders, priority nominals and those individuals with outstanding apprehension warrants as a result of violent offending.

Officers have completed pro-active additional contacts with high-risk victims and offenders of domestic abuse, maximising the safeguarding of victims by reinforcing safety plans and ensuring offenders are adhering to bail conditions.

- Downfield Community Policing Team complete ongoing reviews of Cat A and B Apprehension Warrants linked to violence in the locality. This ensures offenders are arrested quickly, reducing opportunities for further offending. During this quarter numerous Cat A and B apprehension warrants linked to violent offences have been enforced locally.

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- They have focused proactive patrols in hot spot areas known for violent crime, utilising stop search powers where applicable and continue to act on community intelligence, executing a firearm and two drugs search warrant within the locality during this quarter. They also took part in Dundee LPAs Domestic Abuse week of action, arresting four domestic offenders during this period, ensuring preventative / protective measures were put in place where there was sufficient evidence to caution and charge the offender.

Police Scotland Youth Volunteers and the partnerships team have carried out a number of engagements throughout Q1 raising awareness of personal safety, identifying vulnerable person's, targeting known nominals and distributing Crimestoppers literature.

Our Partnership's Team supported a session with the Protecting People Team at Dundee Health & Social Care Partnership in relation to developments in the National Strategy for Criminal Sexual Exploitation (CSE). Sergeants Elise Wilson and Kirsten Kiddie presented on their workstreams around the On Street Sex Workers Project, tackling prostitution in the city and supporting victims while they 'work' addressing personal safety and to address their practical and emotional needs through engagement with partners.

## Local Priority/Activity – Deal with disorder and antisocial behaviour

Officers continue to work closely with partners across Dundee to deliver a multi-agency response alongside Housing, ASBT, SFRS and Trading Standards conducting reviews of all relevant ASB calls, thereafter, sharing with the respective agencies to reduce the impact of these instances.

Weekly meetings are attended by Partnerships Interventions and Preventions officers to discuss recurring ASB issues ensuring proportionate action is taken from a multi-agency perspective, with joint visits conducted when required to ensure a co-ordinated approach.

Dundee currently has 115 Anti-Social Behaviour Orders with 8 Breaches of said orders reported and investigated by Police Scotland across the reporting period.

### **Ardler (Strathmartine Ward)**

In response to information gathered regarding locations people are concerned about in their community, Downfield Community Policing Team have continued an ongoing operation within the Ardler area of Dundee, with notable activities including –

- Engagement with staff at premises subject to anti-social behaviour by young people, addressing their concerns and providing re-assurance.
- Targeting hot spot locations through high visibility directed patrols, resulting in positive conversations with the public and young people in the area.
- Recording and robust investigation of incidents reported which has led to the identification of 18 young people involved in anti-social behaviour and / or criminality in the area over recent months.
- Working collaboratively with Dundee City Council Anti-Social Behaviour Team and Sanctuary Housing, joint visits have been conducted with those 18 young people and their parents / guardians to prevent re-offending. 5 of those young people have been cautioned and charged with various offences due to their ongoing behaviour.

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- Officers have been active within the LCPP Community Safety and Justice Group, sharing the positive work undertaken, and continuing work with partners on collaborative approaches to solving problems in the area.
- In conjunction with DCC ASBT and Xplore, Downfield Community Policing Team completed presentations at Ardler Primary School, St. Fergus Primary School, St. Andrews Primary School, and Downfield Primary School. The purpose of these inputs has been to provide education and guidance to young people regarding the impacts of anti-social behaviour, linking this to bus safety which has also been a problem in the area.

These activities have been positively received in the community and between 01/04/2024 and 31/05/2024 there has been a 70% reduction in anti-social behaviour calls in Ardler.

**Camperdown Park (Strathmartine Ward)**

Downfield Community Policing Team worked with DCC ASBT, SFRS and Dundee Football Club to secure the removal of a derelict building in Camperdown Park. This building was in a state of disrepair and attracted high volumes of youths who were entering the building and setting fires, putting themselves at risk and resulting in consistent calls to the police.

**Hilltown (Coldside Ward)**

Downfield Community Policing Team took part in a joint working local day of action in the Hilltown with Op Argonite and Police Scotland Licensing Department. Activities included –

- Blend of high visibility and plain clothes patrols in hot spot locations.
- Stop and search where applicable of individuals in hot spot locations.
- Targeting those with outstanding Cat A and B Apprehensions Warrants linked to violence.
- Licensed premises checks.
- Engaging with the public and local business owners to provide re-assurance.



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These activities resulted in three individuals arrested for apprehension warrants linked to violence, one individual arrested for being concerned in the supply of controlled drugs and being in possession of a knife.

**Maryfield**

Officers from Maryfield Community Policing Team arrested a male 3 times in relation to repeated breaches of his Anti-Social Behaviour Order having a significant and detrimental effect on his vulnerable neighbours, consistent engagement, and work to promptly investigate and arrest and deal with this male in relation to his criminality has led to him being evicted from his property and providing re-assurance to the residents that action will be taken alongside partners.

Stobswell West remains a significant feature on the Maryfield Directed Policing Plan, an area documented as within the Social Index of Multiple Deprivation and where the residents often do not use or access services available to them and could be considered a hard-to-reach group.

Maryfield Community Policing Team working to support the 5-year community plan have worked within this area in 2 distinct ways:

- The first carrying out violence reduction patrols, identifying known hotspots for drug dealing/violent and anti-social behaviour and carrying out high visibility patrols on foot and carrying out stairwell checks on common close having problems and working alongside partners and housing associations in respect of installation of security doors and cameras to prevent and deter criminality. Arresting those wanted on apprehension warrants with an index offence for violent crime and cultivating intelligence on those known for drug dealing within the area to secure sufficient to progress a drug search warrant.
- The second aspect of the plan involves providing re-assurance to residents, attending events like The Conversation Café-Strathmore Street Complex to meet concerned residents and face to face provide information and relevant leaflets and guidance documents and make them aware of upcoming police events within the area. Recognising the 'cost of living crises and the lack of OOH services within our area and the clear link between criminality and deprivation Maryfield Community Policing Team hold a stock of emergency food parcels provided by the Stobswell Forum, these have a small supply alongside leaflets providing information on where to find other services who provide food parcels locally. Since received 2/3 have been used not only locally but city wide by response and community officers who have come across persons in need, thus allowing us to offer short-term assistance.

## City Centre

Concerns raised by residents and local businesses over youth disorder, with regular gatherings of 20-50 youths, near to McDonalds, Reform St and down into Seagate

Activity:

1. Ongoing informal engagement with youths on ad hoc basis, to defuse tension, build relations and divert from criminality
2. Creation of Street Soccer program, to provide a diversionary opportunity to local youths

Street Soccer are held within the City Square between the hours of 1900 and 2100 hours (which are the peak times of youth related disorder and crime). Pop up football pitches will be set up in the City Square with a large tournament or event being planned at the conclusion of the 10 weeks (which has now been extended, due to previous weather cancellation).

McDonalds Restaurants have also volunteered their upstairs café space for youthwork opportunities. The project will signpost youths into pathways, opportunities and longer-term activities within their local communities and the facilities on offer at StreetSoccer.

A winter block of a further 10 weeks is also proposed, should the summer block be a success. Further funding is being applied for by StreetSoccer through Dundee City Council and McDonalds charity funding. Dundee Football Club and Dundee United Football Club have been informed of the ongoing plans and have shown interest in becoming involved in this project too.

Concerns over disorder related to the night-time economy, within the city-centre footprint.

1. Dedicated CentreSafe deployment with high viz patrols, frequenting hotspots and deterring offending.
2. Proactive licensing visits to significant licensed premises to work through issues with management.

Between 1<sup>st</sup> April 2024 and 30<sup>th</sup> June 2024, the licensing team have processed 740 licence applications for the Dundee area. This included applications for occasional licenses to allow premises to have additional outdoor areas, renewals and grants for taxi operators and drivers, renewals and grants of House In Multiple Occupancy and applications for grants of Short Terms as the legislation commencement date of 1<sup>st</sup> October 2023 is now into force and any new premise applications are being processed.

29 recorded ASB incidents were at or in the immediate vicinity of licensed premises.

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There were 15 inspections carried out throughout Dundee, with 1 premise identified as problematic during this period (Pout). The Licensing department has worked closely with the management of this venue and the decision has been taken for the premises to permanently close. Their full operation has moved to a new venue and again we have worked closely with them and delivered training to all staff.

The licencing team was heavily involved in the planning and policing of the successful Euro Fan Zone at Riverside.

The team has also had valuable engagement with a new venue which has opened within the City Centre, which was inspected and advised in regards CCTV placement.

The licensing team have been promoting the 'bystander' and 'It'll Cost You' training and campaign and, were assisted by Police Scotland Youth Volunteers carrying out public engagement within our communities and Premises Licence Holders. The Licensing Team are continuing efforts to deliver training to licenced premises in respect of keeping people safe in particular during the nighttime economy.

**Longhaugh**

Due to an increase in the number of incidents involving Xplore buses, Longhaugh Community Policing Team, along with support of the other LCPT, partner agencies including ASB Team and Xplore Buses staff have delivered inputs to all primary 6,7 children within the Longhaugh and Downfield areas. This project focuses on education and real-life experiences supported by Xplore bus staff as to the impact of vandalism and anti-social behaviour whilst travelling on the buses and the impact of throwing items at the buses and damage to the shelters throughout the locality.

This is phase one of the project which will recommence after the summer holidays to incorporate schools within the Maryfield and Lochee areas also and be extended to include 1<sup>st</sup> year students where possible.

LCPT have supported the community and attended at Brough Ferry Gala Day, Douglas Gala Day, and Explore Bus Community Day.

Due to increase in incidents of antisocial behaviour and vandalism at Milton of Craigie Retail Park, LCPT have increased focuses patrols with the area, working closely with the staff at the premises, numerous youths have been identified through CCTV all of which

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are subsequently traced and parents made aware of their behaviour with the retrieval park, thereafter ASB Team and LCPT deliver youth notices to repeat offenders to deter any further attendance and incidents. In addition to this there has been an increase in patrols with the Broughty Ferry area to ensure visibility and reassurance during the holiday period.

## Local Priority/Activity – Tackle acquisitive crime and support victims

### Housebreaking (Domestic Dwelling)

The Divisional Acquisitive crime team sit within CID, which ensures a significant specialist investigative overview of these offences. This ensures that links to cross border crime series are being identified quicker, maximising intelligence and evidential opportunities in relation to stolen vehicles or property.

The figure for Housebreaking includes all attempted housebreaking and instances of housebreaking with intent to steal (i.e. where the security of the property has been overcome but no property stolen). **This analysis considers break-ins and attempts to dwellings only** – it therefore excludes sheds and other out-buildings.

There were 332 crimes recorded during this quarter which is a decrease from the 40 crimes recorded during the corresponding quarter last year but an increase from the 24 crimes reported during the previous quarter.

From the 33 crimes, 9 were detected to date which equates to a 28.1% detection rate which is 3.1% above the 5 year average.

In relation to the outstanding undetected crimes forensic results are pending, and positive lines of investigation are being pursued in relation to other crimes means this figure will likely increase.

### Motor Vehicle Crime

This section includes all thefts of vehicles, theft of property from within vehicles and attempts of both crimes.

As these crimes often overlap or relate to housebreakings and other criminality, the Acquisitive Crime team has responsibility for investigating crimes series under line management of CID. This provides enhanced investigative ability and resources to address motor vehicle crime.

This approach has provided an enhanced investigative response in relation to 20 Ford Fiesta motor cars which were stolen throughout Dundee and the North of Scotland. On all occasions a very specific MO was used, the complainers were in possession of the vehicle true keys and it was apparent a keyless relay device had been used to steal the cars.

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In late April, 2024 three males from Dundee were arrested within a stolen Ford Puma and a keyless relay device recovered which is the first and only recovery of such a device of this nature in Tayside.

CCTV enquiries identified the group had been responsible for the theft of three further vehicles in the preceding days. All vehicles were recovered, and the group were charged with these crimes and other linked driving offences. All appeared from custody at Dundee Sheriff Court and were remanded in custody.

The recovered device has been submitted for technical examination and it is hoped this will have captured details of vehicles it has previously been used to steal leading to further detected crimes.

During a separate investigation two males from Dundee were identified for a series of break ins to garages and commercial premises. During these break ins vehicle keys were stolen and subsequently used to steal the vehicles.

Both males have been arrested and charged with approximately 70 offences. One is remanded in custody whilst the other was released from court with curfew bail conditions awaiting trial.

During this quarter, 142 crimes were recorded, this represents a decrease from the 151 recorded during the previous quarter and 217 recorded within the corresponding quarter last year.

From the 142 crimes recorded, 47 were detected reaching a detection rate of 33.1%. Several of the undetected crimes remain under enquiry with forensic results and other enquiries pending so further detections are possible.

**Fraud**

There were 153 recorded frauds during Q1, which is lower than the 161 reported during the previous quarter and the 162 frauds reported within the corresponding period last year.

The current detection rate is 15% which is close to the 15.9% average for crimes of this nature detected nationally.

Analysis of these offences shows the locus for a significant quantity of these offences were the complainer's home address and the majority were credit card frauds or had an online element.

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Fraud enquiries are often complex and protracted with Police dependent on retailers to provide evidence such as documentation. Investigations can often take several months to detect or complete, meaning there may be several more crimes detected moving forward. These offences are often linked and as evidenced by investigations undertaken by the acquisitive team.

During Q1 some notable activities have been driven by Partnerships, Interventions and Preventions Officers which are detailed below:

- Shut out Scammers – The national preventions scam van was in Dundee for two days in June. Dundee City Square and Kingsway Retail Park were identified as key locations with high foot fall for engagements. The partnerships team made several positive engagements issuing practical prevention devices and raising awareness of known scam tactics. We are monitoring emerging/repeat MO's for frauds/scams with relevant advice given. Further presentations delivered to vulnerable, hard to reach groups - visually/hearing impaired.
- Retail Crime – in\_response to the increase in shop liftings, officers have looked at opportunities for Target Hardening with Crime prevention surveys being completed where appropriate. Meeting held with Dundee City Council City Centre Manager and City Centre Policing team Sergeant to look at ways to reduce volume. Retailers Against Crime intel database now being utilised which is improving intel around shoplifting offences.

## Local Priority/Activity – Make our roads safer

During Quarter 1, road policing officers in D Division were engaged in the following national campaigns: -

- April – National Fatal 5 campaign and Motorcycle Safety Campaign
- May – Operation Close Pass
- June – Vulnerable Road Users Campaign – Child safety week, National Seatbelt Campaign, Project EDWARD (Every day without a road death).

**Within this Quarter, there were no fatal Road Traffic Collisions within the Dundee area.**

There were 1488 vehicles were stopped and 57 drink and drug driving offences, 88 mobile phone offences and 275 speeding offences detected during this period across Tayside.

**These offences form part of the fatal 5: -**

1. Careless Driving
2. Speeding
3. Using handheld mobile phone
4. Drink/Drug driving.
5. Not wearing a seatbelt

which are the main causation factors for fatal road traffic collisions in Scotland.

This proactive work sees officers engaging with drivers on the priority routes, providing education to all road users to promote cooperative use of the road space to improve road safety for all. In addition to this, officers delivered the New Drivers Scheme to new drivers in Dundee and Rider Refinement North to motorcyclists in partnership with IAM. Key activities have included:



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- Facilitate high visibility patrolling with a focus on high-risk areas. – Road Policing attend the priority routes on a daily basis. These are identified through 5 years' worth of fatal and serious collision data.
- Deliver educational inputs through the New Driver Scheme and Rider Refinement programme. Road Policing officers have delivered NYDS to Dundee High School and are in communication with Morgan Academy to deliver to them this year. To date we have run three courses with a further two planned for August and September.
- Undertake speeding initiatives to support community concerns in relation to road safety. Road Policing work with Dundee Local Policing Area to assist with speeding issues in the community. They also participate in the National speeding campaigns throughout the year, with a focus on the priority routes.
- Work in collaboration with road safety partners on local/national initiatives and campaigns. Every Month Road Policing officers participate in local and national campaigns to tackle road safety. During Quarter 1 this included : Fatal 5 campaign, Motorcycle Safety Campaign, Operation Close Pass, Child Safety Week, National Seatbelt Campaign and Project Edward.

During this reporting period, Downfield Community Policing Team have monitored local routes highlighted as a concern by members of the public due to the speed of vehicles.

Downfield Community Policing Team have attended St Andrews Primary School on 11 occasions during the most recent school term to support with exclusion zone compliance, issuing 4 fixed penalty notices.

Officers tasked with stopping vehicles driving through pedestrian zone on a regular basis at Panmuir Street, Dundee. Leaflets currently being printed to be passed to all take away premises on Reform Street. Tickets also being issued to drivers ignoring the restrictions.

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Community Policing Teams across Dundee supported the 'School Streets' Initiative by supporting a targeted 10-week plan at Craigiebarns & St Andrews Primary Schools and Coldsides & Northeast Campus whereby working alongside DCC Council Officers attended each school once a week and engaged with drivers, pupils, and parents in relation to the scheme. Warning's, fixed penalties, and reports were submitted for repeat offenders and officers shared information in person and on social media regarding the scheme to protect the vulnerable road users walking to school every day.

In response to complaints about speeding on Clepington Road, Woodside Terrace, Dalkeith Road and Old Craigie Road officers from Maryfeld Community Policing Team attended in these areas and carried out a speed gun patrol, several drivers were warned regarding their manner of driving and residents and drivers spoken to and provided re-assurance about police action.

## Local Priority/Activity – Enable and support effective engagement and communication with the public

The Partnerships team actively seek to engage, in particular, with our hard-to-reach communities. This has been evident with the Deaf and Muslim communities, having developed open lines of communication and ensuring their needs are met.

The national Police Scotland Insight and Engagement Team are in early discussion's with DCC community officers to discuss instigating 'Listening Forums' to engage seldom heard communities and ascertain how they feel about and what they want from police in their local area.

### Maryfield

- 1<sup>st</sup> June-Stobswell Family Fun Day in the grounds of Morgan Academy.
- Conversation Café-Wolsley Street Sheltered Housing.
- Coffee with a Cop-Craigie Street Sheltered Housing.
- Police Surgery-Community Shop.
- Social Media Input-Glebelands Primary School/Craigie barns Primary.
- 10-week DIWC Drop In event alongside partners-Attended 3 weeks.
- DIWC Inputs- Personal Safety.

Effective engagement and having the ability to encourage persons to attend events with solely police can be challenging and we recognise that social media is not always the most effective way to reach persons within our specific community.

Generating posters and placing them in strategic places where people already visit, advising key stakeholders who offer support and encouragement for those to attend and gaining a 'buy in' from them. Considering where and when we hold events can also be problematic and we have generated a plan over the next 6 months to change how we plan our events, holding 3 varied events in 3 different locations at varying times and days off the week/weekend to increase engagement.

## Local Priority/Activity – Seek out shared learning and training opportunities with partners

### Partner Intelligence Portal

Our Partnerships team remain focused on engaging with partners around the delivery awareness and subsequent training with several statutory and 3<sup>rd</sup> sector organisations now having completed the required training, with a unique secure login assigned to afford access.

### Wider Community Engagement

- We continue engagement with Mears and residents in the asylum re-settlement process and have supported inputs alongside the Programme Development Officer from Elevate.
- The partnerships team continue to meet with DCC Humanitarian Team with a view to facilitating conversation cafes with the Ukrainian Community.

Downfield Community Policing Team has strong links with partners and all opportunities are taken to share relevant information and learning, which has included the following over this quarter.

- Monthly meetings with DCC ASBT and Hillcrest Housing Association have continued. This ensured recurring and new issues within both Coldside and Strathmartine wards were highlighted and discussed, allowing a co-ordinated response to repeat problems.
- Downfield Community Policing Team have continued to be represented at the high-risk domestic abuse meeting with DALOs, Dundee Assist and Women's Aid, ensuring information is shared in respect of ongoing engagement and safety planning of high-risk domestic abuse victims.
- Downfield Community Policing Team have been represented at Strathmartine Community Safety and Justice Group to discuss collaborative approaches to solving problems of anti-social behaviour within the ward.
- Downfield Community Policing Team have been represented at care and risk management meetings, sharing information with internal and external partners to support vulnerable people at serious risk of harm.

- Downfield Community Policing Team have attended meetings with Teaching Staff and Parent Groups in Coldside to discuss the policing support of SEZ in the area and how the approach can be continue to improve.

### **Summary Case Management Pilot**

Dundee officers continue to support the SCM pilot, which is well embedded within the local policing area. Whilst it does frontload the evidence available for court and therefore increases the workload at the reporting stage, compliance continues to improve, yielding benefits for victims and officers through the increase in early pleas, reduced citation volume and court appearances.

Performance compares very favourably with the other pilot areas in Hamilton, Paisley and Glasgow sheriffdoms.

### **Learning Reviews**

There were no learning review discussions in Dundee during Q1 however, the findings of the Ms L learning review were published.

Ms L was a 29-year-old woman, who died in October 2020. She had a complex history of domestic abuse, homelessness, substance use, mental health and chronic physical health. Since moving to Dundee in December 2018 she was isolated from family and friends. She was targeted by drug gangs and subject to various forms of exploitation and had experienced racial abuse.

Findings from the learning review were as follows.

- Value in a Gendered Services Approach
- Need for a Trauma Informed Approach
- Getting it Right for Everyone – need for collective understanding of risk
- Benefit of a Lead Professional Model
- Adult Protection is Everyone's Business

### **Good Practice**

Within three days of arriving in Scotland, it was recognised that a multi-disciplinary approach was required and quick action took place to get supports for Ms L. Specialist third sector organisations demonstrated a trauma informed approach and were able to build a trusting relationship with Ms L.

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Trauma learning has been delivered to all the agencies involved with a range of leadership and practice resources provided. There is an ongoing training analysis and plans for level 3 trauma learning. Significant resources have been allocated to support the Multi-Agency Risk Assessment Conference (MARAC) Framework. This includes new direct links to ASP Processes and a new MARAC Performance framework. There are plans underway to implement and strengthen the lead professional model. This is to promote a coordinated and robust multidisciplinary team approach to care, with appropriate collaboration and planning to manage risk more effectively. There is a new vision for an adults at risk multi-agency pathway, including the development of a multi-agency screening hub for adults at risk. Police are actively involved in the ASP Pathway work and are leading on the development of AMASH (Adult Multi-Agency Screening Hub).

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### **Local Priority/Activity – Embed environmental responsibility into current and future planning and estate management.**

Police Scotland continues to support the cycle to work scheme through our employee benefits provider, Vivup, and pursues an environmentally responsible approach to the management of our ageing estate. Governance of this issue sits with the Divisional Estates Board, which meets monthly, under the chair of our Divisional Support and Service Delivery function.

Public Consultation has already been launched on the future of the Ryehill and Hilltown stations.

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## Q4 (2023-2034) Update

At last Scrutiny, members sought further information in regards criminal related Vehicle Fire-raising within Dundee City.

Tayside Division crime recording data indicates that there were 15 vehicle fire-raising during the reporting period.

A more comprehensive problem profile is being undertaken, but intelligence would indicate that the vast majority are between linked criminal associates. In some cases, there can be a general unwillingness to engage with police, which can make solving these offences more challenging, but importantly, significant safety planning can still be implemented.

A smaller number of cases relate to the destruction of vehicles that have previously been stolen, for use in the commission of acquisitive crime and set alight in order to destroy forensic evidence. This is not a new phenomenon and a trend that we see reflected nationally.

Police Scotland undertakes specialist fire investigation in partnership with our colleagues from the Scottish Fire and Rescue Service and the majority of cases are investigated by experienced detective officers within the CID.

Any advances in evidence gathering or investigation techniques are cascaded to local officers in order to maximise our ability to identify and prosecute offenders and protect the public.

END

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**REPORT TO:** SCRUTINY COMMITTEE - 25 SEPTEMBER 2024  
**REPORT ON:** AUDIT SCOTLAND BEST VALUE THEMATIC REVIEW 2023/24  
**REPORT BY:** EXECUTIVE DIRECTOR OF CORPORATE SERVICES  
**REPORT NO:** 258-2024

## **1 PURPOSE OF REPORT**

1.1 To present to the Committee Audit Scotland's Report on the outcomes of their Best Value Thematic Review of Workforce Innovation.

## **2 RECOMMENDATIONS**

2.1 It is recommended that the Committee:

- (a) notes the Audit Scotland Report appended to the Report; and
- (b) notes that the actions in the improvement plan will be included in the Corporate Services Service Plan.

## **3 FINANCIAL IMPLICATIONS**

3.1 There are no financial implications arising from this report.

## **4 BACKGROUND**

4.1 For 2023/24 the Accounts Commission has directed auditors to report on workforce innovation and how councils are responding to workforce challenges.

4.2 The attached Report by Audit Scotland highlights that the Council:

- Has a Strategic Workforce Plan in place but needs to develop the links between this and Service Plans to support future service delivery;
- Should continue to engage with Trade Unions and other representative groups;
- Has approved a Digital Strategy but needs to reflect how digital technologies will change the ways the Council works;
- Had not yet set up a Digital Board as proposed in the Digital Strategy;
- Has implemented Hybrid working and that the Staff Survey shows this has generally been positively received by staff;
- Has a workforce planning and talent management plan designed to support the Council over the next 5 years;
- Benefits from Joint Working with other organisations and should continue to explore opportunities to develop this; and

- Should develop smart measures to monitor and report on the Strategic Workforce plan.

4.3 The Report includes 7 actions, set out in Appendix 1 of the Audit Scotland Report

4.4 Recommendation 3, to Establish the Digital Leadership Board is now complete and the first meeting of the Board was held on 20 August 2024.

4.5 The other recommendations will be completed by March 2025 and will be monitored and reported on through inclusion in the Corporate Services Service Plan.

## **5 POLICY IMPLICATIONS**

5.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

## **6 CONSULTATIONS**

6.1 The Council Leadership Team were consulted in the preparation of this report.

## **7 BACKGROUND PAPERS**

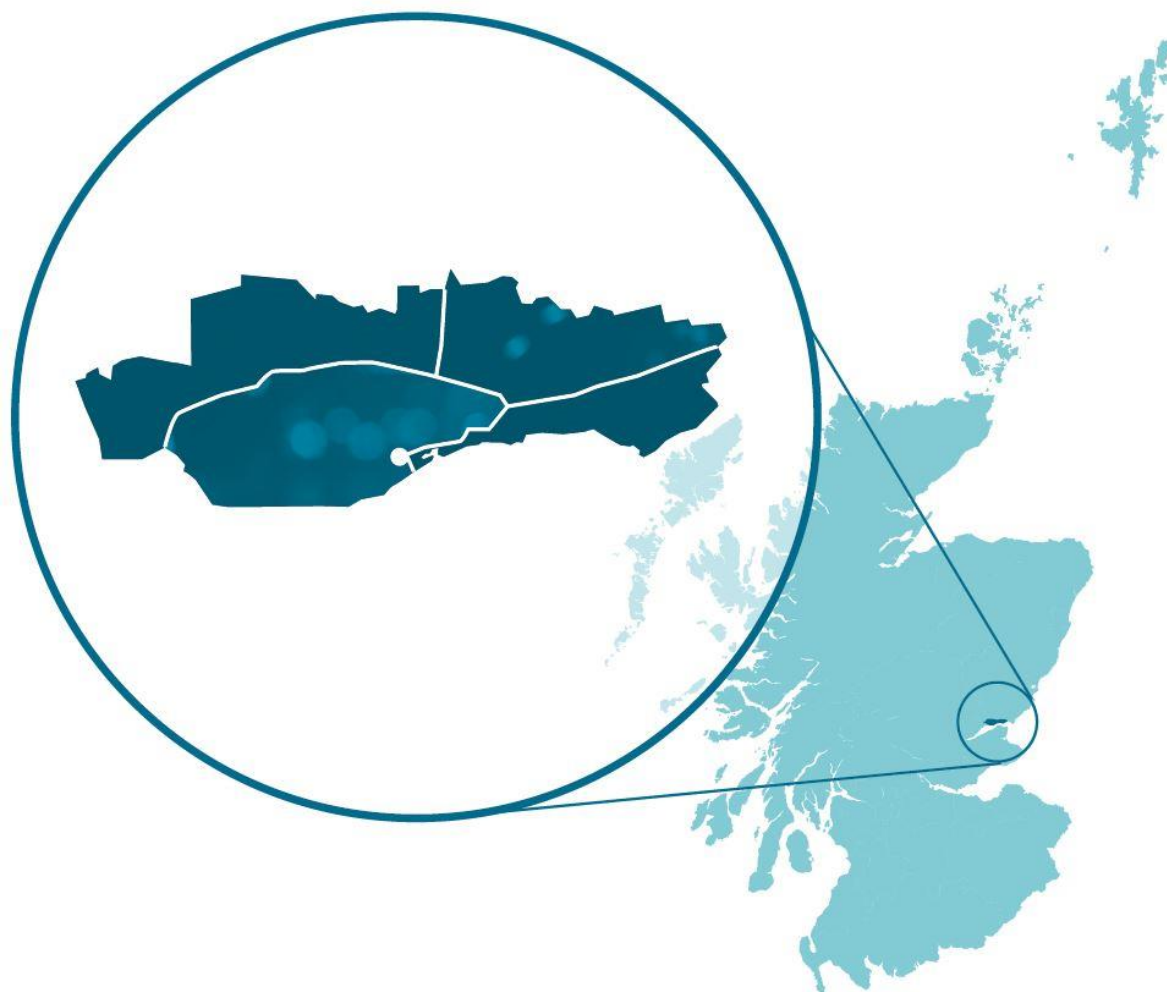
7.1 None

**ROBERT EMMOTT**  
**EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**2 SEPTEMBER 2024**

# Dundee City Council

## Best Value Thematic Review 2023/24: Workforce Innovation – How councils are responding to workforce challenges



 AUDIT SCOTLAND

Prepared by Audit Scotland  
August 2024

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# Key facts



## Workforce data at 31 March 2024

<b>6,750</b>	Number of people working for the council – headcount
<b>6,054</b>	Number of people working for the council – full time equivalent (FTE)
<b>500</b>	Number of supply / casual staff
<b>586</b>	Number of temporary employees
<b>8.3%</b>	Turnover of staff in last year
<b>14.9</b>	Days lost due to absence in last year per FTE employee
	<b>Age profile</b>
<b>5.1%</b>	16 to 24
<b>19.4%</b>	25 to 34
<b>34.7%</b>	35 to 49
<b>38.1%</b>	50 to 64
<b>2.8%</b>	65 and over

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# Key messages

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- 1 The Strategic Workforce Plan 2023-28 sets out the council's approach to ensuring it has a skilled, flexible, high performing, motivated and well-managed workforce. Detailed service-level workforce data is provided to services to assist with workforce planning. However, better alignment is required between the Strategic Workforce Plan 2023-28 and service plans to ensure service level workforce actions are supporting the delivery of the council's strategic priorities.
- 2 The council should continue to engage with Trade Unions and other consultative staff forums and use the information gathered through these discussions, and the results of the staff survey, to monitor the impact of service changes.
- 3 The Digital Strategy 2023-27 sets out how the council aims to maximise the potential of digital technologies to improve outcomes and services for its citizens and employees. However, the projected impact of the greater use of digital technology on the council's future workforce requirements is not yet fully considered and embedded within service plans.
- 4 Although the digital strategy 2023-27 was approved in May 2023, the Digital Leadership Board, responsible for leading on the delivery of the strategy, is still being set up.
- 5 The council has implemented hybrid working, categorising staff across six different workstyles, and the latest employee survey results suggest that staff are generally positive about hybrid working. The council is currently reviewing its hybrid working policy and senior management has identified a number of workforce benefits of hybrid working.
- 6 The workforce planning and talent management action plan is designed to support the council to deliver its key workforce planning priorities over the next 5 years. Recruiting and developing more young people offers one route to the council expanding its overall workforce capacity.
- 7 Joint working with other bodies has delivered workforce benefits for Dundee City Council. The council should continue to explore opportunities to work together with partners to utilise staff resources more efficiently or effectively in the future.
- 8 The council needs to develop smart measures and targets to monitor and report on progress against the Strategic Workforce Plan 2023-28. This should include reporting to elected members on the delivery of workforce priorities at both a corporate and service level.



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# Scope of the audit

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1. This report covers the thematic aspect of the Best Value audit requirements. For 2023/24 the Accounts Commission has directed auditors to report on workforce innovation and how councils are responding to workforce challenges.

2. The [Local Government in Scotland Overview 2023 report](#) noted that councils have never faced such a challenging situation. Service demands have increased after the Covid-19 pandemic and funding is forecast to reduce in real terms. Workforce pressures including recruitment in a competitive labour market, employee retention and high sickness absence levels are putting councils under continued pressure.

3. This report considers how Dundee City Council is responding to current workforce challenges through building capacity, increasing productivity and innovation. In carrying out the work auditors have considered the following questions:

- How effectively are the council's workforce plans integrated with its strategic plans and priorities?
- How effectively has digital technology been used to support workforce productivity and improve service quality and outcomes?
- How effectively is the council using hybrid and remote working and other innovative working practice such as a four-day week to achieve service and staff benefits?
- What innovative practice is the council using to develop its future workforce capacity and skills needs and manage staff reductions in line with its priorities?
- What progress has the council made with sharing roles or functions across its services and/or with other councils and partners?
- How effectively is the council measuring the impact of its workforce planning approach?

4. An improvement action plan is included at [Appendix 1](#) of this report. This sets out audit recommendations in key areas, and the council's planned response, including responsible officers and dates for implementation.

5. The coverage of the work is in line with the expectations of councils for the seven Best Value themes set out in the [Local Government in Scotland Act 2003, Best Value Statutory Guidance 2020](#).

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# Workforce strategy and priorities

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**The Strategic Workforce Plan 2023-28 sets out the council's approach to ensuring it has a skilled, flexible, high performing, motivated and well-managed workforce.**

**Detailed service-level workforce data is provided to services to assist with workforce planning. However, better alignment is required between the Strategic Workforce Plan 2023-28 and service plans to ensure service level workforce actions are supporting the delivery of the council's strategic priorities.**

**The council should continue to engage with Trade Unions and other consultative staff forums and use the information gathered through these discussions, and the results of the staff survey, to monitor the impact of service changes.**

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## **Integrated and effective workforce planning is essential to the delivery of a council's strategic priorities**

**6.** Workforce planning involves identifying and addressing future capacity and skills gaps, at leadership and operational levels. It requires strategic thinking, comprehensive workforce data and ongoing consultation and engagement with staff and trade unions.

**7.** A council focused on achieving Best Value will have a workforce strategy that sets out expectations on how the local authority's staff will deliver its vision, priorities and values.

**8.** To be effective, workforce planning must be integrated across the organisation. Workforce strategies need to support the council in achieving its strategic priorities by aligning with financial, asset, digital and transformation planning. They also need to be under-pinned by detailed workforce plans for services.

## **The Strategic Workforce Plan 2023-28 sets out the council's approach to ensuring it has a skilled, flexible, high performing, motivated and well-managed workforce**

**9.** Dundee City Council employs around 6,750 people, with spending on staff costs making up 61 per cent of the council's net revenue budget for 2024/25 which is high compared to many other Scottish councils. Therefore, maximising the efficiency and effectiveness of its people is key to the council achieving its strategic priorities and delivering continuous improvement in the delivery of services.

10. The council's [Our People Strategy 2022-27](#) provides a high level vision for how the council will support its future workforce, centred on a positive employee experience. This one-page strategy was approved by the Policy and Resources Committee in December 2022 and provides the strategic basis for the council's workforce planning.

11. The council's Strategic Workforce Plan 2023-28 was approved by the Council Leadership Team (CLT) in June 2023 as an operational element of the Council's approved people strategy.

12. The plan sets out the council's approach to ensuring it has a skilled, flexible, high performing, motivated and well-managed workforce. It includes sections on strategic context, employee development, digital development, service change and employee wellbeing.

### **Better alignment is required between the Strategic Workforce Plan 2023-28 and service plans to ensure service level workforce actions are supporting the delivery of the council's strategic priorities**

13. The council's Our People Strategy 2022-27 is aligned with the Council Plan, the Digital Strategy and Medium-Term Financial Plan. The Strategic Workforce Plan 2023-28 includes a section on the council's Our People Strategy but there is no clear alignment between the areas covered by the high-level vision set out in the strategy and the coverage of the plan.

14. Each of the council's service plans link to the Council Plan and include workforce planning actions. However, these are set out in different ways and in differing levels of detail in each service plan, so there is no consistent or direct read across between the action plan in the Strategic Workforce Plan 2023-28 and the workforce actions identified in the service plans.

15. The most recent service plans were compiled just after the Strategic Workforce Plan 2023-28 was approved at CLT and two services have indicated their intention to compile their own workforce plans.

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## **Recommendation 1**

The council should review workforce planning arrangements across services to ensure these support the delivery of the Strategic Workforce Plan 2023-28, and the council's strategic priorities.

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### **Detailed service-level workforce data is provided to services to assist with workforce planning**

16. A key element of effective workforce planning is the ability for staff across the organisation to access and monitor accurate and up-to-date workforce data.

17. The 'Workforce Planning Support' section of the council's Strategic Workforce Plan 2023-28 explains that services are provided with data in a Workforce Planning Tool that enables them to interrogate their own employee

demographic information. Services are also provided with heat maps to give a fuller understanding of where the demographic 'hot spots' are in services and where potential areas for redesign may be needed. These tools are intended to assist services in decision making where there is the need for forecasting and scenario planning in organisational change.

**18.** Our review of the heatmaps provided to services identified that these are centred around the council's ageing workforce and the numbers and reasons for people leaving, and also include information on new starts. The accompanying narrative to the heatmaps highlighted the importance of succession planning.

### **The council developed a new performance appraisal and development tool to help line managers build relationships and keep individuals feeling valued, motivated and engaged**

**19.** The Strategic Workforce Plan 2023-28 highlights the importance of meaningful engagement with staff to ensure they are motivated and there is a clear focus on their development.

**20.** To support the council in investing funding and development efforts in the areas most needed to efficiently deliver services going forward, it introduced a new mandatory council wide performance appraisal and development tool called Quality Conversations in May 2023. This provides a framework to support line managers in having regular conversations with their employees which build relationships, provide support and keep individuals feeling valued, motivated and engaged. It is intended to provide all staff with the opportunity to regularly talk about their job and the process should be adapted to make that happen in the most appropriate manner.

**21.** It is expected that 'quality conversations' with staff will take place throughout the year with an annual quality conversation held to help clarify work related objectives for the year ahead, provide feedback and agree any support or development needed for employees and teams.

### **The results of the last staff survey showed that 83 per cent of respondents enjoyed their job but 47 per cent of respondents felt they did not have enough time to do their job well**

**22.** Staff surveys provide employers with a rich source of data on employee satisfaction and engagement and help to identify areas for improvement. Regular staff surveys also allow management to track employee satisfaction levels over time to identify recurring issues or systemic problems that might be affecting staff productivity or employee well-being, and to assess the impact of changes in service delivery models and working practices.

**23.** The council last completed an organisation-wide survey on employee satisfaction in May 2023 but this had a low overall response rate of 20 per cent (i.e. 4 out of 5 staff did not respond to the survey). The survey consisted of 21 quantitative and 3 qualitative questions, grouped into 3 themes: Team Effort and Culture; Engagement and Connection; and Innovation, Performance and Skills.

**24.** The results of the staff survey showed that 83 per cent of respondents enjoyed their job and 94 per cent were proud of the work they do. However, 47 per cent of respondents felt they did not have enough time to do their job well. Respondents also said they are being asked to do more work with less time and some said that they are only managing to get through their work by working longer hours.

### **Management agreed recommendations to address the key areas for improvement highlighted by the last staff survey, but these are not reflected in the current service plans**

**25.** The 2023 Employee Survey Results report includes 7 broad recommendations that management has agreed to address the key areas for improvement highlighted by the survey results and comments:

- Each Service agrees to review their specific survey results and take appropriate action.
- Knowledge sharing is encouraged in teams and services to prevent gaps in knowledge caused by people leaving or moving role.
- Workspace in council offices is equipped with the necessary digital tools and is set out to ensure that the working environment is conducive to all types of working.
- Managers be asked to review the hybrid workstyles with their teams. (Paragraphs [58.](#) and [59.](#))
- Services ensure that annual Quality Conversations are taking place.
- Line managers be reminded to hold regular team meetings and be encouraged to conduct regular supportive meetings, e.g. one to ones.
- The Employee Wellbeing Service receives more focused communication support to ensure that all employees know about the resources available to them to support their mental and physical health and wellbeing.

**26.** Although these recommendations have been identified, it is not clear from the 2023 Employee Survey Results report how these will be taken forward by services and we noted that actions to address these are not reflected in the current service plans.

### **The council has moved to conducting yearly employee satisfaction surveys and will take action to improve the response rate**

**27.** Management advised that the council is moving to conducting an annual employee survey, with the next one due to take place in May 2024, and is taking action to improve the response rate. This should assist the council in monitoring staff satisfaction levels and assessing the impact of services changes introduced during the year, as well as whether the actions taken in response to the recommendations at paragraph [25.](#) have had the intended impact.

## **The council should continue to engage with Trade Unions and other consultative staff forums to monitor the impact of service changes**

**28.** As councils face ever increasing pressures on budgets, alongside greater demand for services, it will be essential that they continue to review existing service delivery models to identify more efficient ways of working. It will also be important to continue to work with Trade Unions when introducing changes that affect their members and to develop opportunities to engage with the whole workforce on transformational change.

**29.** As part of our review we met with management and Trade Union representatives to discuss the current workforce challenges facing the council, and the wider local government sector in Scotland. These discussions confirmed that management consulted with Trade Unions when developing the Strategic Workforce Plan and also have regular engagement on issues affecting staff. However, both parties highlighted that relations can be strained and challenging, with Trade Union representatives suggesting that some of these tensions could be addressed by more early engagement with management on proposed changes. Management advised that the Council has established a Strategic Trade Union Forum and joint Health and Wellbeing Group to provide opportunities for such engagement.

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# Digital technology and the workforce

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The Digital Strategy 2023-27 sets out how the council aims to maximise the potential of digital technologies to improve outcomes and services for its citizens and employees. However, the projected impact of the greater use of digital technology on the council's future workforce requirements is not yet fully considered and embedded within service plans.

Although the Digital Strategy 2023-27 was approved in May 2023, the Digital Leadership Board, responsible for leading on the delivery of the strategy, is still being set up.

The council has used digital technologies to improve the efficiency of local residents' interactions with services, and to assist staff working out in the community. It has also identified workforce benefits and savings that can be achieved through the use of further digital technologies.

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## Digital technology will be essential in supporting the workforce to deliver efficient and effective council services in the future

30. The [Local Government in Scotland Overview 2023 report](#) noted that digital technology will make future workforces look and work quite differently. To achieve the change required, councils need to make good use of digital technology and use the workforce in flexible ways.

31. Digital technology has a strong bearing on a council's workforce needs. It can be used to re-shape jobs to increase productivity and reduce back-office functions while improving service quality. Technology solutions include online services, customer relationship management systems, mobile digital devices and, more recently, artificial intelligence (AI) applications.

32. Councils need to be innovative in their use of technology and build on new working practices that emerged during the pandemic. In doing so, they must also consider service quality and the needs of people experiencing digital exclusion.

## The Digital Strategy 2023-27 sets out how the council aims to maximise the potential of digital technologies to improve outcomes and services for its citizens and employees

33. The council's [Digital Strategy 2023-27](#) was approved by its Policy and Resources Committee in May 2023. This sets out the council's digital vision to:

*“Maximise the potential of Digital technologies to improve outcomes and services for all our citizens and employees, in a way which supports the delivery of the Council’s priorities and in particular to design a modern digital Council”.*

One of the four strands underpinning this vision is that: *“Our people are engaged, skilled and committed to a transformative digital culture where they take pride in constantly learning and evolving their skills to meet customer needs.”*

**34.** The strategy has six strategic outcomes, one of which is ‘Digital workforce’. This states that: *“To develop and sustain a digital future for Dundee, we need a workforce with the skills, knowledge and confidence to develop new ways of working, including using new technology in order to serve our customers.”*

**35.** The strategy also sets out the ways in which the council will achieve its digital vision. This includes a section on ‘people’ which notes that the advancement of digital, data and technology skills should be an integral part of corporate workforce planning. It also highlights that as the council embraces the adoption of new ways of working then that there is an opportunity to continue the development of the way it works through training and support with a focus on maximizing the benefits from investment in current technology.

## **The projected impact of the greater use of digital technology on the council’s future workforce requirements is not yet fully considered and embedded within service plans**

**36.** The digital strategy stresses that while digital technology can provide the tools and enable the flow of data, real improvement can only be achieved through service led redesign and implementation. The strategy also recognises that it is critical that business processes and required outcomes are fully understood before redesign activity commences, and also highlights the importance of service and operational plans considering how digital technology can contribute to furthering objectives and goals.

**37.** From our review of the Strategic Workforce Plan 2023-28 and service plans it is clear that the impact of the greater use of digital technology on the council’s future workforce requirements is not yet fully considered and embedded within these plans. As digital transformation programmes progress, the council should ensure that service plans accurately reflect the projected impact on the workforce.

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## **Recommendation 2**

The council should review service plans to ensure they reflect the projected impact of the greater use of digital technology on the council’s future workforce requirements.

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## **The Digital Leadership Board, responsible for leading on the delivery of the digital strategy, is still being set up**

**38.** The Digital Strategy 2023-27 sets out ten high-level actions but there is no detail on how and when these will be achieved. The high-level actions include



the upskilling of staff knowledge and skills which is to be supported by detailed, operational delivery plans.

**39.** The digital strategy notes that oversight, governance and direction for the delivery of the strategy will be provided by the introduction of a Digital Leadership Board which will report annually to the Policy and Resources Committee (this now falls under the remit of the City Governance Committee). However, although terms of reference have now been written, the board is still in development and has not yet met.

**40.** In the absence of Digital Leadership Board meetings, regular meetings have been held between the Head of Customer Services and IT and the Digital Services Manager about progress with digital projects. All projects are monitored using the digital project tracker which details the long-term aims of each project, who is leading each project and updates on progress.

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### Recommendation 3

The council should establish the Digital Leadership Board as a matter of priority to ensure there is appropriate oversight, governance and direction for the delivery of the digital strategy.

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### The council has used digital technologies to improve the efficiency of local residents' interactions with services

**41.** Our review identified a number of areas where digital technologies are being rolled out to improve the efficiency of local residents' interactions with the council, and to reduce staff time dealing with request and enquiries. These include:

- Implementation of a web-based system which allows citizens to directly access and update their council tax and NDR records, including the submission of changes of circumstances which automatically update their records.
- Implementation of a Bin app to enable residents to access bin collection dates and associated refuse service information.
- Tendering for an AI chatbot / web chat facility to deal with routine enquiries and requests more quickly.

**42.** These types of user-led interfaces are increasingly common across the private and public sector and offer a range of benefits to both service users and service providers. However, the essential nature of many of the council's services, and the need to guard against the risks of digital exclusion, mean that it is important that these are still supplemented by traditional methods of enquiry.

## The council is using digital technology to assist staff working out in the community

43. During our review management provided some examples of how the council is already used digital technology to help staff stay connected when working out in the community:

- Hand-held devices and training in Office 365 are being rolled out and the use of technology by Construction Services staff while on site to discuss jobs with colleagues and order the parts required will result in both a quicker resolution for residents and reduced job times for employees.
- The council has developed an extranet site: 'One Dundee on the Move' to allow all employees access to the content of One Dundee, the internal information page, when out in the community. This ensures they can quickly access the latest information and updates and better deal with residents' enquiries.

44. These examples demonstrate how existing digital technology can be used to improve service delivery and both the service users and employees experience.

## The council has identified workforce benefits and savings that can be achieved through the use of further digital technologies

45. A range of digital projects are being progressed, which the council has identified should deliver savings and a range of workforce benefits. These include:

- The purchase of a new Cloud IT Service management system. This will improve productivity and efficiency by reducing the number of issues handled by IT staff through the introduction of self-service facilities and automation, which will result in quicker responses for users and reduce the overall turnaround time for IT requests. These improvements will also increase capacity by enabling a greater number of issues to be dealt with each day.
- The council's IT desktop transformation plan recognises the changes to the way employees work and that laptops provide employees with greater flexibility and adaptability to their work environment whether that be an office, home or other remote locations.
- The next phase of Microsoft 365 is being rolled out by the end of June 2024. An external benchmark showed an average of every employee gaining an efficiency saving in time of 1 hour per person, per week in increased employee productivity through the adoption of Microsoft 365 document management.
- The processing of revenues queries currently includes a degree of double input. The council approved a project to introduce automation in these processes. The five-year cost of this project is £92,450 but savings over this period are estimated to be £310,000.

46. Even before the roll-out of these new digital technologies, more self-service transactions have been taking place online within the council with this increasing from 44 per cent in 2021/22 to 61 per cent in 2022/23. The council recognises that training of staff is key in helping ensure that digital transformation is successful and has established a dedicated Digital Skills Team to support its workforce

47. The Digital Strategy 2023-27 states that: “*Digital transformation is 80% about the people and ways of working, and 20% about the technology.*”

48. The council has established a Digital Skills Team to support the skills required by its workforce and a digital skills plan is currently in development. One of the first activities of the Digital Skills Team was to provide face-to-face training to leaders of the council with the aim of encouraging them to cascade this learning and positive attitude towards digital to their teams.

49. The Digital Skills Team has now undertaken in-person learning sessions with teams and services to teach new ways of working. During 2023 the digital skills team delivered in-person sessions to over 30 different teams across services with 531 people attending. A Microsoft SharePoint site called ‘Digital Workplace’ for all staff to access has also been developed. This provides a one-stop shop for all digital learning needs and allows staff to get involved in events and connect with colleagues.

50. The council also has 130 digital champions across services who are involved in developing and sharing learning and demonstrating workforce benefits and productivity gains from new technology to colleagues. The Learning and Organisational Development team manage the digital champions project and engage with champions in a range of ways including events such as the Digital Champions Gathering.

### **The council plans to undertake a digital skills survey early in 2025 to inform future training and development of staff in the use of digital technologies**

51. Despite the activity already undertaken by the Digital Skills Team to upskill the workforce in the use of digital technologies (paragraphs [48.](#) and [49.](#)) the council has not undertaken a digital skills survey since 2018. Management advised that they are planning to conduct such a survey in early 2025 to assist the council in deciding how best to target its learning and development resources and to inform the development of a digital skills plan. The survey would also allow the council to identify any barriers to staff using digital technology that require to be considered going forward.

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## **Recommendation 4**

The council should complete a digital skills survey to assess the current digital capabilities of its workforce and to identify areas for additional training and development.

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# Flexible working and innovative staff deployment

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The council has implemented hybrid working, categorising staff across six different workstyles and the latest employee survey results suggest staff are generally positive about hybrid working. The council is currently reviewing its hybrid working policy and senior management has identified a number of workforce benefits of hybrid working.

Over 7 per cent of the council's staff are employed as casual workers. Management acknowledge that there is currently too great a reliance on casual workers for social care and early years staff and that they need to manage these numbers down over time.

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## Councils in Scotland have embraced flexible working and are now considering other innovative approaches to staff deployment

**52.** During the pandemic councils needed to make the best use of their existing workforce while continuing to monitor employee wellbeing. Councils continue to look to new ways of working to improve job satisfaction and reduce sickness absence and staff turnover.

**53.** Home-working and hybrid working (a combination of office and home-based working) have now become commonplace for many roles. Some councils are also considering more radical working practices such as a standard four-day working week. However, whatever the working practice, employers need to ensure that service quality and productivity are maintained.

## The council has implemented hybrid working, categorising staff across six different workstyles

**54.** The council introduced its hybrid working guidance for employees in 2021 to reflect changing working practices adopted during the Covid-19 pandemic. It introduced six different workstyles:

- **Not desk-based:** Desk required for less than 20 per cent of the time.
- **Fixed point:** Office based 100 per cent of the time.
- **Mainly fixed:** Office based for 80 per cent of the time.
- **Hybrid:** Office-based for more than 50 per cent of the time.

- **Hybrid+:** Working from home for more than 50 per cent of the time.
- **Flexible:** Working from home at least 80 per cent of the time.

**55.** The guidance recognises that the six different workstyles won't be available to everyone as it will depend on the nature of specific roles to what extent staff can work from home and some jobs (e.g. teachers and other public facing roles) require staff to work in council premises. It also acknowledges there will be other circumstances where it will be beneficial for staff to work on site to collaborate with colleagues or to support and coach other staff.

### **The latest employee survey results suggest staff are generally positive about hybrid working**

**56.** The results of the last employee survey in May 2023 showed that council staff feel generally positive about hybrid working, stating that their work-life balance is better than ever. However, some said that they feel pressured to be in the office just to be seen, while others prefer to be in the office as this suits the way they like to work.

**57.** Trade Union representatives also advised that they welcomed hybrid working and the flexibility this offers. They did have some concerns about whether it is being applied consistently across the council but advised that they believe these inconsistencies are due to individual managers who are less keen on hybrid working rather than issues with the policy itself.

### **The council is currently reviewing its hybrid working policy and senior management has identified a number of workforce benefits of hybrid working**

**58.** The council is currently reviewing its hybrid working policy to ensure it supports business needs and employee wellbeing. It is doing this by analysing information from the last employee survey, seeking views from the Council Leadership Team and Heads of Service, and undertaking discussions with Trade Unions, the Lived Experience Panel, Equalities Steering Group and the Trauma and Gendered Services steering groups. This recent exercise with the CLT and Heads of Service identified the following benefits of hybrid working:

- More effective meetings due to access to papers on Microsoft Teams, better scheduling, and time saving due to reduced travel time between locations.
- Hybrid working conditions allow the council to be more competitive in attracting staff and supporting staff retention.
- Employees have noted that they can be more focused at home when doing tasks that require concentration, and therefore are more productive.

**59.** As a result of the impact of hybrid and flexible working arrangements, the council is undertaking a property rationalisation project to identify the potential for the council to reduce its current office, depot and storage estate. This will

deliver property costs savings that can be reinvested in services and the council's workforce.

## **Responding to future workforce challenges will require the council to have a more agile and flexible workforce**

**60.** As service delivery models continue to evolve and job roles change, the council will require to have a more agile and flexible workforce to enable it to deploy staff in the best way to meet the needs of service users in the future.

**61.** Management advised that deployment models and working arrangements were quickly developed during the pandemic to ensure cover for key services. This included additional support for social care, delivery of meals and prescriptions and setting up the vaccination centre.

**62.** More recently, the council has made changes to reflect changing workforce requirements in Corporate Business Support Services (CBSS). The current development of CBSS generic job descriptions supports greater flexibility and opportunities for staff to gain experience across other parts of the organisation. CBSS has introduced adaptable, flexible, and responsive structures which enable employees to support different service areas, creating more variety of tasks and work experiences. For example, CBSS staff based in Community Centres are dealing with short term let applications for Landlord Services in the Private Sector Services Unit, clerical work for the Chief Executives Service, and updating the work experience database for the Employability Team. Staff have gone on to gain promoted posts out with CBSS through experience gained in other areas.

**63.** The creation of a framework for new internal models of deployment and recruitment and agile ways of working is an action within in the Strategic Workforce Plan 2023-28 and should assist the council in responding to future workforce challenges.

## **Management acknowledge that there is currently a reliance on casual workers for social care and early years staff and that this needs to be reviewed**

**64.** The council employs around 6,750 staff but over 7 per cent of its staff are employed as casual workers. Casual workers are not permanent employees and are paid only for the actual time they work. They also don't receive all the benefits of full-time employment such as paid sick leave.

**65.** All councils require to use casual workers for seasonal work and to respond to spikes in demand for services, but management acknowledge that the reliance on casual workers in certain areas needs to be reviewed. One area of particular challenge is around social care and early years staff where there are recruitment challenges and staff numbers need to be maintained at certain levels to meet statutory requirements. Management advised that this is partly a legacy of the Covid-19 pandemic during which the council had a huge reliance on casual workers. However, it also recognises that it needs to review its use of casual workers and consider whether it needs to revise its policies and practices in this area.

**66.** There may be the opportunity for the council to permanently recruit some of its current casual workers, but many casual workers enjoy the freedom that this provides them (for example, students) and will not want to become permanent employees of the council.

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## **Recommendation 5**

The council needs to review its use of casual workers to ensure this does not present a business continuity risk for the organisation.

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# Developing future skills and capacity

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The workforce planning and talent management action plan is designed to support the council to deliver its key workforce planning priorities over the next 5 years. The council has guidance and training to help managers identify business continuity and succession planning risks within their teams and develop local actions to address these.

Recruiting and developing more young people offers one route to the council expanding its overall workforce capacity. The council makes good use of apprenticeships to recruit and train staff but is reviewing its use of modern apprenticeships due to changes to the conditions of the scheme.

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## Developing the skills and capacity of the future workforce will be key to councils reducing vacancy rates and filling senior posts

67. The Scottish public sector faces ongoing recruitment and retention challenges, with high vacancy rates across public sector bodies. The [Local Government in Scotland Overview 2023 report](#) highlighted that these challenges are particularly pronounced in the local government sector with 47 per cent of services reporting vacancies in 2021 compared with 36 per cent the previous year, and 11 per cent across all sectors in Scotland. The whole-time equivalent vacancy rate for local government had also deteriorated to 8.1 per cent in 2021, up from 5.1 per cent the previous year. In comparison, the vacancy rate across all sectors in Scotland was 1.9 per cent.

68. The report also noted that councils are facing increasing challenges in filling senior roles. This may in part be due to the bottom loading of recent local government pay deals which have narrowed the gap between junior and senior roles and made the latter less desirable. Public sector pay at senior levels has also not kept pace with other sectors which has resulted in some staff leaving for better paid positions in the private sector.

69. Addressing these recruitment and retention challenges will not be easy but developing the skills and capacity of the future workforce will be key to councils reducing vacancy rates and filling senior posts.



## **The workforce planning and talent management action plan is designed to support the council to deliver its key workforce planning priorities over the next 5 years**

**70.** Dundee City Council currently employs around 6,750 members of staff, with almost 41 per cent aged over 50. Management are aware that the age profile of the current workforce presents a number of business continuity and succession planning risks which are becoming ever more pressing as an increasing number of local government staff opt to retire early.

**71.** The council's Strategic Workforce Plan 2023-28 includes a workforce planning and talent management action plan as an appendix to the plan. This details the five steps to support the council in delivering its key workforce planning priorities over the next 5 years and the activities and expected outcomes for each stage of the process. The five steps identified are:

- **Step 1:** Identify key positions or occupational roles / groups.
- **Step 2:** Identify competencies required.
- **Step 3:** Identify potential successors or future talent.
- **Step 4:** Implement targeted learning and focused development strategies.
- **Step 5:** Evaluate Workforce Planning efforts.

**72.** Following these steps will help management to assess where the main business continuity and succession planning risks sit across services, and to identify what action is required to mitigate these risks and plan for the future.

## **The council has guidance and training to help managers identify business continuity and succession planning risks within their teams, and develop local actions to address these**

**73.** The council has launched Workforce and Succession Planning Guidance to help services plan their workforce for the future and to consider, alongside the new Digital Strategy, how best to support modern practices.

**74.** The council has also offered succession planning training since 2017 and around 50 staff have completed the e-learning training since the start of 2023. The training is particularly targeted at managers to assist them to identify the business continuity and succession planning risks within their teams, and to develop actions to address these.

**75.** Management provided a specific example of where succession planning has been done successfully within Children and Families Service as shown in [Case study 1](#) below.

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## Case study 1

### Succession planning for Support for Learning Training Officer role

Children and Families Service identified the Support for Learning Training Officer role as an essential post which has developed over several years to support the rise in the number and percentage of children and young people with complex additional support needs. This post has also expanded to include the provision of advice and support to social care settings / children's houses.

Since 2022 the Children and Families Service and Learning and Organisational Development have been working together to build capacity and ensure succession planning for this role, prior to the postholder retiring in 2024. The role has a wide remit and requires the postholder to obtain professional learning in relation to both [CALM](#) and Moving and Handling practices.

To build capacity and ensure that there wasn't one single point of risk, two individuals were identified for development. Since 2022, they have been undertaking professional accredited learning and work-based learning activities to develop into this role. The process is now underway to complete this transition and these staff will also support broader CALM learning within Children and Families which is another operational area that the council has had difficulties recruiting to.

Source: Dundee City Council

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## Recruiting and developing more young people offers one route to the council expanding its overall workforce capacity

**76.** The Annual Participation Measure (APM) is the key tool used to assess Scotland's success in achieving positive post-school destinations for young people aged 16-19. It is both an important measure of performance in education and the local economy, as well as of the City's ambition relating to fairness, inclusion, poverty, and productivity set out in the [Council Plan 2022-2027](#) and [City Plan 2022-2032](#).

**77.** Dundee performs very poorly in this measure and consistently has the lowest, or near lowest, participation rates across Scotland. At any time, of a total cohort of around 6,000 young Dundonians, there are typically 500-800 who are not participating in employment, education, or training. In acknowledgement of the Dundee Partnership's clear desire to improve Dundee's annual destination results for 16-19 year-olds in the city, a multi-agency working group was established and produced a joint improvement plan, [Discover Work Strategy 2022-2027 – Transforming Employability for a new Dundee](#), which aims to improve employability outcomes in Dundee, and includes plans to deliver "A Step Change in Positive Destinations for Young Dundonians". This sets out the joint Improvement Plan to inspire young people to pursue education, develop their employability skills, and realise their full potential with the support of all our key partners and services.

**78.** As part of the council's commitment to this plan it continues to promote and support young people to enter and sustain apprenticeships and job opportunities within the local authority. The council also works with schools and other partners to continually develop the learning pathways into the council and to promote the council as an attractive employer.

## **The council makes good use of apprenticeships to recruit and train staff but is reviewing its use of modern apprenticeships due to changes to the conditions of the scheme**

**79.** Apprenticeships combine a qualification with on-the-job experience, allowing people to work, learn and earn at the same time. The council currently has a range of staff undertaking apprenticeships across services. These include 46 staff doing traditional construction and trades apprenticeships, 18 staff doing modern apprenticeships, and 8 staff doing graduate apprenticeships.

**80.** [Modern apprenticeships](#) are supported by Skills Development Scotland which contributes towards the costs of their training, through a training provider who works with the employing organisation. These have proved beneficial in assisting councils in recruiting, training and retaining staff, particularly in roles that were not traditionally part of an apprenticeship scheme. However, like other councils, Dundee City Council is currently considering whether it will need to reduce the number of modern apprentices it takes on due to changes in the scheme that will require employers to pay apprentices the living wage from the start of their employment. These additional costs would fall on the council as the employing body; no extra funding will be provided to cover these increased costs.

**81.** The Graduate Apprentice Programme has been running since 2017 with IT, civil engineering, business management apprenticeship programmes run through the University of Dundee. Since then, the council has had 8 graduate apprentices for IT, 7 graduate apprentices for civil engineering and 9 graduate apprentices for business management.

## **The council and the HSCP have adopted a number of approaches to try and address the increasing pressures on workforce capacity within health and social care services**

**82.** The pressures on workforce capacity within health and social care services has increased dramatically over recent years as an ageing population has increased demand for social care services, at the same time as the sector has faced major recruitment and retention challenges.

**83.** The council and the Dundee Health and Social Care Partnership (HSCP) have adopted a number of approaches to try and address these pressures by improving the skills and capacity of their existing and future workforce. These initiatives have included:

- The council developing learning pathways to address specific recruitment challenges. For example, the Learning Care Assistant Pathway involved a group of existing employees from the council's Children and Families Service undertaking a Scottish Vocational Qualification (SVQ) 2 in Social Services – Children and Young People, an essential requirement of the Learning Care Assistant (LCA) post.
- The council has supported staff to undertake a degree of postgraduate diploma in social work with the Open University in response to social worker shortages. This allows successful candidates to achieve their

qualification on a part-time basis whilst continuing to work in their substantive post, with some study time given and 50 per cent funding towards course costs. All sponsored social work pathway candidates who have successfully completed their qualification have progressed to social work posts across Children and Families Service and Dundee Health and Social Care Partnership.

- Run in partnership with Dundee and Angus College, the Health and Social Care Academy provides the opportunity for school pupils, and for those who have left school, to study towards a National 5 level Health and Social Care and Foundation Apprenticeship in Social Services and Healthcare. It also provides the opportunity to gain a certificate and an advanced certificate in Health and Social Care, and Higher National Certificates (HNCs) in Social Services or Healthcare Practice.
- In partnership with the University of Dundee, the council has been developing opportunities to improve the transition for social work students from education to employment. One aspect of this has involved the council supporting the development of an integration day for social work students in their final year of studies focusing on the Newly Qualified Social Worker Supported Year (paragraph [84.](#)) and preparation for job applications and interviews.

**84.** A further specific challenge faced in the health and social care sector is presented by the high number of new social workers who leave during their first year of employment. To try and address this the council has taken part in the newly qualified social worker support programme. This is a Scottish Government pilot to support social workers through their first year of employment through a range of support including one-to-one coaching from an experienced social worker.

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# Joint workforce arrangements across services and partners

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**The council's involvement in Tayside Contracts Joint Committee has protected it from some of the recruitment and retention challenges it could have faced in the delivery of construction and facilities services. The Street Lighting Partnership and Roads Maintenance Partnership have delivered further workforce benefits for Dundee City Council.**

**The council is working together with its Tayside partners to ensure best use is made of existing staff and resources, and to increase the skills and opportunities of the local workforce.**

**The council should continue to explore opportunities to work together with partners to utilise staff resources more efficiently or effectively in the future.**

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## **Collaborative working across services and partners will be essential to allow councils to continue to deliver high quality services to the public**

**85.** As the pressure on public sector finances continues to increase, councils should look to work collaboratively with their partners to make the best use of their existing workforces and plan for the particular workforce needs in their areas. They should also look to work across traditional service department roles within councils to deliver improved services and outcomes.

**86.** Examples of this would include staff working across health and social care functions, professional posts or functions being shared between councils, and services being delivered through consortium arrangements or by empowered communities.

## **The council's involvement in Tayside Contracts Joint Committee has protected it from some of the recruitment and retention challenges faced by other councils in the delivery of construction and facilities services**

**87.** As highlighted in the [Best Value Assurance Report \(September 2020\)](#), since its formation in 1996, Tayside Contracts Joint Committee has delivered a range of construction and facilities services for its constituent councils: Dundee City Council, Angus Council, and Perth and Kinross Council, and a range of other public sector bodies (for example NHS Tayside and the Tay Road Bridge Joint Board).

**88.** During 2018/19 it opened its new central production unit to provide school dinners to children across Tayside, with the potential to expand operations at the unit to also provide a meals service to other local authority areas and make full use of the capacity available.

**89.** This joined up approach has benefited the three councils by delivering efficiencies and economies of scale in the delivery of these services, including the use of specialist plant and machinery, and by protecting them from some of the recruitment and retention challenges they could have faced if they had continued to each provide these services locally.

### **The Street Lighting Partnership and Roads Maintenance Partnership have delivered further workforce benefits for Dundee City Council**

**90.** In addition to the joint approach for construction and facilities services across Tayside (paragraphs [87.](#) to [89.](#)) the Street Lighting Partnership between Dundee City Council, Perth and Kinross Council, Angus Council and Tayside Contracts, first established in 2006, provides all inspection, maintenance, improvement and management activity in the three council areas. Dundee City Council has also worked in partnership with Tayside Contracts through the Roads Maintenance Partnership since 2012.

**91.** Management advised that both partnerships have optimised efficiency through integrated service delivery since inception and continue to provide best value and resilience through shared services operating with multi-discipline staff roles. They also highlighted that the partnership operating arrangements have provided a range of workforce benefits, including:

- The operating structure has provided opportunities for efficiencies and reduced staff costs.
- The larger teams provide more resilience to accommodate workload fluctuations and facilitates the continuation and retention of in-house specialisms.
- Combined expertise has enhanced and expedited the delivery of technological innovations and service modernisation initiatives.

### **Dundee City Council and Angus Council share a Chief Internal Auditor and work together to provide out of hours social work services**

**92.** The former Senior Manager – Internal Audit, the Principal Internal Auditor, left Dundee City Council in November 2021. Following three unsuccessful campaigns to recruit a replacement, the council agreed a partnership arrangement with Angus Council to share its Chief Internal Auditor on a part-time basis, with 40 per cent of their time spent on Dundee City Council and 60 per cent of their time spent on Angus Council. This pilot arrangement commenced in October 2022 and was initially for a 12-month period.

**93.** The pilot arrangement proved effective and the councils are now entering into a long-term arrangement to share this resource on a 50:50 basis, with an

ongoing commitment for both teams to share information, work more closely together, and undertake joint audits where practical in the future.

**94.** This partnership arrangement has ensured that Dundee City Council's chief audit executive role is filled, and that the internal audit annual opinion, required by Public Sector Internal Audit Standards, will be provided.

**95.** Another area where Dundee City Council and Angus Council staff work together is to provide an out of hours social work service. This service is managed by Dundee City Council's Children and Families Service and provides a social work service outwith normal working hours to Dundee City Council and Angus Council as part of a joint agreement between the two local authorities.

**96.** The social work out of hours service also works in close co-operation with other out of hours services such as health agencies, the police, the department of work and pensions, housing and community alarm / home care teams, as well as being a contact point for access to a mental health officer.

**97.** Anyone in the Angus or Dundee areas who has an urgent problem or crisis can call the service and the joined up approach ensures that they are directed to the best service to assist them, and that the most efficient use is made of staff resources.

### **The council is working together with its Tayside partners to ensure best use is made of existing staff and resources, and to increase the skills and opportunities of the local workforce**

**98.** The Tayside Collaborative has five working groups which reflect the priorities identified in the [Tayside Plan for Children, Young People and Families](#). These cover pre-birth and early years; learning and attainment; health and wellbeing; looked after children, care leavers and young carers; and safeguarding and protection; and promote a multi-agency approach to ensure the best service is provided to residents and that the best use is made of the staff and other resources of the partner bodies.

**99.** The [Tay Cities Region Deal](#) brings together public, private and voluntary organisations in the council areas of Angus, Dundee, Fife and Perth and Kinross partners to work together to deliver a smarter and fairer region. These include projects to support the [Inclusive Tay](#) regional economic strategy objective to tackle the high levels of unemployment levels across the region.

### **The council should continue to explore opportunities to work together with partners to utilise staff resources more efficiently or effectively in the future**

**100.** As detailed in this section of the report, the council has embraced joint workforce arrangements with other bodies in a range of areas. However, there may be further opportunities for the council to work with partners to tackle shared workforce challenges in the future.

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## **Recommendation 6**

The council should look to identify further opportunities to work together with partners to tackle shared workforce challenges in the future.

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# Measuring the impact of workforce planning

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**The council is looking to learn from the experience of staff across all services and grades to shape future employee experience approaches and activity.**

**The council needs to develop smart measures and targets to monitor and report on progress against the Strategic Workforce Plan 2023-28. This should include reporting to elected members on the delivery of workforce priorities at both a corporate and service level.**

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**It is important that management monitor the impact of their workforce planning and delivery approaches to ensure the effectiveness of workforce planning arrangements**

**101.** To assess whether the council's workforce planning arrangements are effective, it is important that management monitor the impact of their workforce planning and delivery approaches. This should include cost, service quality and productivity benefits as well as employee wellbeing. This in turn should inform their workforce planning approach. Councils and their partners should also understand the wider impact of their employment practice on the local economy.

**The council is looking to learn from the experience of staff across all services and grades to shape future employee experience approaches and activity**

**102.** The council's Our People Strategy 2022-27 is framed around a positive employee experience which lays the foundation for strong workforce practice and strategic workforce planning. Therefore, to understand how this operates in practice management have been carrying out a piece of service design to identify improvement areas in the employee experience.

**103.** To explore the issues faced, research interviews have been carried out with all service areas and a range of employees of various grades (including modern apprentices, graduate apprentices, workplace graduates, new starts, leavers and heads of service) have been interviewed to gain an insight into their experience with Dundee City Council. The results of this work will be used to shape future employee experience approaches and activity.

## **The council needs to develop smart measures and targets to monitor and report on progress against the Strategic Workforce Plan 2023-28**

**104.** The council has set out, in its Strategic Workforce Plan 2023-28, what performance measures it intends to use to capture the impact of its workforce planning approach (people analytics, employee surveys, wellbeing and absence data, turnover and retention information) but has not yet set targets for these or reported on them.

**105.** Management advised that as the 5-year plan was only launched in June 2023, it feels it is too early to measure the impact of the actions being taken. However, it acknowledges that it needs to develop smart measures and targets to monitor and report on progress against the plan in the future.

## **Management should put arrangements in place to report to elected members on the delivery of workforce priorities at both a corporate and service level**

**106.** As detailed at paragraph [11.](#), the council's Strategic Workforce Plan 2023-28 was approved by the Council Leadership Team in June 2023 but management has not yet considered how it will report to elected members on progress against the plan.

**107.** Given the importance of the delivery of the Strategic Workforce Plan 2023-28 in achieving the strategic priorities within the Council Plan, management should put arrangements in place to report to elected members on the delivery of workforce priorities.

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## **Recommendation 7**

The council needs to develop smart measures and targets to monitor and report on progress against the Strategic Workforce Plan 2023-28. This should include reporting to elected members on the delivery of workforce priorities at both a corporate and service level.

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# Appendix 1 - Improvement Action plan

Issue/risk	Recommendation	Agreed management action/timing
<p><b>1. Alignment of Strategic Workforce Plan 2023-28 and service plans</b></p> <p>Each of the council's service plans links to the Council Plan and includes workforce planning actions. However, these are set out in different ways and in differing levels of detail in each service plan, so there is no consistent or direct read across between the action plan in the Strategic Workforce Plan 2023-28 and the workforce actions identified in the service plans.</p> <p><b>Risk: Workforce planning arrangements across services do not support the delivery of the Strategic Workforce Plan 2023-28, and the council's strategic priorities.</b></p>	<p>The council should review workforce planning arrangements across services to ensure these support the delivery of the Strategic Workforce Plan 2023-28, and the council's strategic priorities.</p> <p>Paragraphs <a href="#">13.</a> to <a href="#">15.</a></p>	<p>Workforce planning arrangements will be reviewed and a consistent approach adopted across service plans.</p> <p><b>Responsible officer:</b> Head of People</p> <p><b>Agreed date:</b> March 2025</p>

## 2. Impact of greater use of digital technology

The impact of the greater use of digital technology on the council's future workforce requirements is not yet fully considered and embedded within the Strategic Workforce Plan 2023-28 and service plans.

**Risk: Service plans do not accurately reflect the projected impact of the greater use of digital technology on the council's future workforce requirements.**

The council should review service plans to ensure they reflect the projected impact of the greater use of digital technology on the council's future workforce requirements.

[Paragraphs 36. and 37.](#)

Agreed

**Responsible officer:** Head of Digital and Customer Services

**Agreed date:** March 2025

## 3. Establishment of Digital Leadership Board

The Digital Leadership Board, responsible for leading on the delivery of the digital strategy, is still being set up.

**Risk: There is a lack of oversight, governance and direction for the delivery of the digital strategy.**

The council should establish the Digital Leadership Board as a matter of priority to ensure there is appropriate oversight, governance and direction for the delivery of the digital strategy.

[Paragraphs 38. to 40.](#)

Agreed

**Responsible officer:** Head of Digital and Community Services

**Agreed date:** September 2024

## 4. Digital skills survey

The council has not undertaken a digital skills survey since 2018.

**Risk: The council lacks up-to-date information to inform the development of its digital skills plan.**

The council should complete a digital skills survey to assess the current digital capabilities of its workforce and to identify areas for additional training and development.

[Paragraph 51.](#)

Agreed

**Responsible officer:** Head of People

**Agreed date:** March 2025

### 5. Reliance on casual workers

Over 7 per cent of the council's staff are employed as casual workers.

**Risk: The council's current reliance on casual workers may present business continuity risks for services.**

The council needs to review its use of casual workers to ensure this does not present a business continuity risk for the organisation.

Paragraphs [64.](#) to [66.](#)

The Council will review its use of casual workers and consider whether policies and practices should be reviewed.

**Responsible officer:** Head of People

**Agreed date:** March 2025

### 6. Joint working with partners

The council has embraced joint workforce arrangements with other bodies in a range of areas. However, there may be further opportunities for the council to work with other partners to tackle shared workforce challenges in the future.

**Risk: The council may not be utilising its staff resources as efficiently and effectively as possible.**

The council should look to identify further opportunities to work together with partners to tackle shared workforce challenges in the future.

Paragraph [100.](#)

The Council will continue to explore opportunities for partnership working.

**Responsible officer:** Head of People

**Agreed date:** March 2025

### 7. Measuring the impact of workforce planning

The council has still to develop smart measures and targets to monitor and report on progress against the Strategic Workforce Plan 2023-28.

**Risk: Workforce planning arrangements may not be supporting the delivery of the strategic priorities in within the Council Plan.**

The council needs to develop smart measures and targets to monitor and report on progress against the Strategic Workforce Plan 2023-28. This should include reporting to elected members on the delivery of workforce priorities.

Paragraphs [104.](#) to [107.](#)

The Council will develop appropriate reporting for both Elected Members and the Corporate Leadership Team.

**Responsible officer:** Head of People

**Agreed date:** March 2025

# Dundee City Council

## Best Value Thematic Review 2023/24:

### Workforce Innovation – How councils are responding to workforce challenges

Audit Scotland's published material is available for download on the website in a number of formats. For information on our accessibility principles, please visit:

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## Scrutiny Committee – Audit of the 2023/24 Annual Accounts of Dundee City Council and the registered charities administered by the Council

25 September 2024

### Independent auditor's report

1. Our audit work on the 2023/24 annual accounts of Dundee City Council and the registered charities administered by the Council is now substantially complete. Subject to the receipt of revised annual accounts for final review, we anticipate being able to issue unqualified audit opinions in the independent auditor's reports on 25 September 2024. The proposed audit certificates are attached for Dundee City Council and its Group ([Appendix A](#)), Dundee City Council Charitable Trusts ([Appendix C](#)), the Lord Provost of Dundee Charity Fund ([Appendix D](#)), and Fleming Trust ([Appendix E](#)).

### Winding up of Dundee Trust

2. During 2019/20 the funds held in the Dundee Trust were donated to the Lord Provost of Dundee Charity Fund leaving it with a nil balance since 31 March 2020. The trust also held no assets so has effectively been dormant since this date. As a result, the Office of the Scottish Charity Regulator (OSCR) removed it from its list of Scottish Charities as of 24 April 2024. Steps are being taken to formally wind up the trust in accordance with the Trust Deed. The Trustees have prepared revised accounts for the period 1 April 2023 to 24 April 2024 and these will be the last accounts produced for the Dundee Trust. The proposed audit certificate is attached for Dundee Trust ([Appendix G](#)).

### Annual Audit Report

3. Under International Standards on Auditing in the UK, we report specific matters arising from the audit of the annual accounts to those charged with governance of an audited body in sufficient time to enable appropriate action. For Dundee City Council, the members of the Scrutiny Committee are those charged with governance. I present for the Scrutiny Committee's consideration our proposed annual report on the 2023/24 audit. Within this report, Exhibit 3 titled "Significant findings and key matters from the audit of the annual accounts" sets out the issues identified in respect of the Dundee City Council annual accounts. Our report also includes at Exhibit 7 the "Significant findings from the audits of the 2023/24 charitable trusts accounts".

4. The report also sets out our conclusions on the wider scope areas that frame public audit as set out in the Code of Audit Practice.

5. Our Annual Audit Report will be issued in final form after the audited annual accounts have been certified by the appointed auditor.

### Unadjusted misstatements

6. We are required to report to those charged with governance all unadjusted misstatements, other than those below our reporting threshold, and request that they be corrected. As detailed in our Annual Audit Report, reportable errors totalling £12.8 million were identified during the audit. Management corrected misstatements totalling £10.0 million in the audited 2023/24 annual accounts and chose not to adjust for one other issue (totalling £2.8 million). This unadjusted misstatement does not impact upon our audit opinion on the financial statements.

## **Fraud, subsequent events, and compliance with laws and regulations**

**7.** In presenting this report to the Scrutiny Committee we seek confirmation from those charged with governance of any instances of any actual, suspected, or alleged fraud; any subsequent events that have occurred since the date of the financial statements; or material non-compliance with laws and regulations affecting the entity that should be brought to our attention.

## **Representations from Section 95 Officer**

**8.** As part of the completion of our audit, we are seeking written representations from the Executive Director of Corporate Services, as Section 95 Officer, on aspects of the annual accounts including the judgements and estimates made.

**9.** Template letters of representation are attached for Dundee City Council ([Appendix B](#)), Dundee City Council Charitable Trusts, Lord Provost of Dundee Charity Fund and Fleming Trust ([Appendix F](#)) and Dundee Trust ([Appendix H](#)). The letters of representation for the council and the charitable trusts should be signed and returned to us by the Section 95 Officer with the signed annual accounts prior to the independent auditor's report being certified.

## **Acknowledgement**

**10.** We would like to thank elected members, management and staff, particularly those in finance, for their cooperation and assistance during the audit.



## Appendix A: Proposed Independent Auditor's Report for Dundee City Council and its Group

### Independent auditor's report to the members of Dundee City Council and the Accounts Commission

#### Reporting on the audit of the financial statements

##### Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of Dundee City Council and its group for the year ended 31 March 2024 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the council-only Expenditure and Funding Analysis, the group and council-only Comprehensive Income and Expenditure Statements, Movement in Reserves Statements, Balance Sheets, and Cash Flow Statements, the council-only Council Tax Income Account, Non-Domestic Rate Income Account, Housing Revenue Account, Common Good Fund Account and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 (the 2023/24 Code).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the council and its group as at 31 March 2024 and of the income and expenditure of the council and its group for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2023/24 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

##### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Accounts Commission on 3 April 2024. My period of appointment is four years, covering 2023/24 to 2026/27. I am independent of the council and its group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the council. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the ability of

the council and its group to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the current or future financial sustainability of the council and its group. However, I report on the council's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

### **Risks of material misstatement**

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

### **Responsibilities of the Executive Director of Corporate Services and the Scrutiny Committee for the financial statements**

As explained more fully in the Statement of Responsibilities for the Annual Accounts, the Executive Director of Corporate Services is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Executive Director of Corporate Services determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Director of Corporate Services is responsible for assessing the ability of the council and its group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the operations of the council and its group.

The Scrutiny Committee is responsible for overseeing the financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the local government sector to identify that the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003 are significant in the context of the council and its group;
- inquiring of the Executive Director of Corporate Services as to other laws or regulations that may be expected to have a fundamental effect on the operations of the council and its group;
- inquiring of the Executive Director of Corporate Services concerning the policies and procedures of the council and its group regarding compliance with the applicable legal and regulatory framework;

- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the council's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## Reporting on other requirements

### Opinion prescribed by the Accounts Commission on the audited parts of the Annual Remuneration Report

I have audited the parts of the Annual Remuneration Report described as audited. In my opinion, the audited parts of the Annual Remuneration Report have been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

### Other information

The Executive Director of Corporate Services is responsible for the other information in the annual accounts. The other information comprises the Management Commentary, Annual Governance Statement, Statement of Responsibilities for the Annual Accounts and the unaudited parts of the Annual Remuneration Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

### Opinions prescribed by the Accounts Commission on the Management Commentary and Annual Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and

that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and

- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

**Matters on which I am required to report by exception**

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Annual Remuneration Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

**Conclusions on wider scope responsibilities**

In addition to my responsibilities for the annual accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in my Annual Audit Report.

**Use of my report**

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

**Rachel Browne CPFA  
Audit Director  
Audit Scotland  
102 West Port  
Edinburgh  
EH3 9DN**

## Appendix B: Letter of Representation (ISA 580) for Dundee City Council

**To be reproduced on Dundee City Council headed paper, signed by Section 95 Officer and provided to appointed auditor with signed 2023/24 Annual Accounts**

Rachel Browne, Audit Director  
Audit Scotland  
4th Floor  
102 West Port  
Edinburgh  
EH3 9DN

25 September 2024

Dear Rachel

### **Dundee City Council Annual Accounts 2023/24**

**1.** This representation letter is provided about your audit of the annual accounts of Dundee City Council and its group for the year ended 31 March 2024 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view and have been properly prepared, and for expressing other opinions on the Annual Remuneration Report, Management Commentary, and Annual Governance Statement.

**2.** I confirm to the best of my knowledge and belief and having made appropriate enquiries of the Chief Executive and Council Management Team the following representations given to you in connection with your audit of Dundee City Council's annual accounts for the year ended 31 March 2024.

#### **General**

**3.** Dundee City Council and I have fulfilled our statutory responsibilities for the preparation of the 2023/24 annual accounts. All the accounting records, documentation, and other matters which I am aware are relevant to the preparation of the annual accounts have been made available to you for the purposes of your audit. All transactions undertaken by Dundee City Council have been recorded in the accounting records and are properly reflected in the financial statements.

**4.** I confirm that the effects of uncorrected misstatements are immaterial, individually and in aggregate, to the financial statements as a whole. I am not aware of any uncorrected misstatements other than those reported by you.

#### **Financial Reporting Framework**

**5.** The annual accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 (2023/24 accounting code), and the requirements of the Local Government (Scotland) Act 1973, the Local Government in Scotland Act 2003, and The Local Authority Accounts (Scotland) Regulations 2014.

**6.** In accordance with the 2014 Regulations, I have ensured that the financial statements give a true and fair view of the financial position of the Dundee City Council and its Group at 31 March 2024 and the transactions for 2023/24.

## Accounting Policies and Estimates

7. All material accounting policies applied are as shown in the notes to the financial statements. The accounting policies are determined by the 2023/24 accounting code where applicable. All accounting policies applied are appropriate to Dundee City Council's circumstances and have been consistently applied.

8. The significant assumptions used in making accounting estimates are reasonable and properly reflected in the financial statements. Judgements used in making estimates have been based on the latest available, reliable information. Estimates have been revised where there are changes in the circumstances on which the original estimate was based or as a result of new information or experience.

## Going Concern Basis of Accounting

9. I have assessed Dundee City Council's ability to continue to use the going concern basis of accounting and have concluded that it is appropriate. I am not aware of any material uncertainties that may cast significant doubt on Dundee City Council's ability to continue to adopt the going concern basis of accounting.

## Assets

10. Where a rolling programme of asset valuations has been used, I have satisfied myself that the carrying amount of assets at 31 March 2024 does not differ materially from that which would be determined if a revaluation had been carried out at that date.

11. I carried out an assessment at 31 March 2024 as to whether there is any indication that an asset may be impaired and have recognised any impairment losses identified.

12. I have provided you with all information of which I am aware regarding any valuation exercises carried out after 31 March 2024.

13. There are no plans or intentions that are likely to affect the carrying value or classification of the assets recognised within the financial statements.

14. Owned assets are free from any lien, encumbrance or charge except as disclosed in the financial statements.

## Liabilities

15. All liabilities at 31 March 2024 of which I am aware have been reported in the financial statements.

16. Provisions have been recognised in the financial statements for all liabilities of uncertain timing or amount at 31 March 2024 of which I am aware where the conditions specified in the 2023/24 accounting code have been met. The amount recognised as a provision is the best estimate of the expenditure likely to be required to settle the obligation at 31 March 2024. Where the effect of the time value of money is material, the amount of the provision has been discounted to the present value of the expected payments.

17. Provisions recognised in previous years have been reviewed and adjusted, where appropriate, to reflect the best estimate at 31 March 2024 or to reflect material changes in the assumptions underlying the calculations of the cash flows.

18. The accrual recognised in the financial statements for annual leave untaken by 31 March 2024 has been estimated on a reasonable basis.

**19.** The pension assumptions made by the actuary in the IAS 19 report for Dundee City Council have been reviewed and I confirm that they are consistent with management's own view.

**20.** There are no plans or intentions that are likely to affect the carrying value or classification of the liabilities recognised in the financial statements.

### **Contingent Liabilities**

**21.** There are no significant contingent liabilities, other than those disclosed in the relevant note to the financial statements, arising either under formal agreement or through formal undertakings requiring disclosure in the accounts. All known contingent liabilities have been fully and properly disclosed in accordance with the 2023/24 accounting code and IAS 37.

**22.** With specific reference to equal pay claims I can confirm that it is not possible to quantify the contingent liability.

### **Litigation and Claims**

**23.** All known actual or possible legal claims have been disclosed to you and have been accounted for and disclosed in the financial statements in accordance with the 2023/24 accounting code.

### **Fraud**

**24.** I understand my responsibilities for the design, implementation, and maintenance of internal control to prevent fraud and I believe I have appropriately fulfilled those responsibilities.

**25.** I have provided you with all information in relation to:

- my assessment of the risk that the financial statements may be materially misstated because of fraud
- any allegations of fraud or suspected fraud affecting the financial statements, and
- fraud or suspected fraud that I am aware of involving management, employees who have a significant role in internal control, or others that could have a material effect on the financial statements.

### **Laws and Regulations**

**26.** I have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

### **Related Party Transactions**

**27.** All material transactions with related parties have been appropriately accounted for and disclosed in the financial statements in accordance with the 2023/24 accounting code. I have made available to you the identity of all Dundee City Council's related parties and all the related party relationships and transactions of which I am aware.

### **Remuneration Report**

**28.** The Remuneration Report has been prepared in accordance with the Local Authority Accounts (Scotland) Regulations 2014, and all required information of which I am aware has been provided to you.

## Management Commentary

**29.** I confirm that the Management Commentary has been prepared in accordance with the statutory guidance and the information is consistent with the financial statements.

## Corporate Governance

**30.** I confirm that Dundee City Council has undertaken a review of the system of internal control during 2023/24 to establish the extent to which it complies with proper practices set out in the Delivering Good Governance in Local Government: Framework 2016. I have disclosed to you all deficiencies in internal control identified from this review or of which I am otherwise aware.

**31.** I confirm that the Annual Governance Statement has been prepared in accordance with the Delivering Good Governance in Local Government: Framework 2016 and the information is consistent with the financial statements. There have been no changes in the corporate governance arrangements or issues identified, since 31 March 2024, which require to be reflected.

## Group Accounts

**32.** I have identified all the other entities in which Dundee City Council has a material interest and have classified and accounted for them in accordance with the 2023/24 accounting code. Any significant issues with the financial statements of group entities, including any qualified audit opinions, have been advised to you.

## Common Good Fund

**33.** I confirm, to the best of my ability, that all material common good assets have been identified and correctly accounted for within the common good fund financial statements and where appropriate, common good assets in use by the Council have been assessed and accounted for in line with IAS 17.

## Events Subsequent to the Date of the Balance Sheet

**34.** All events subsequent to 31 March 2024 for which the 2023/24 accounting code requires adjustment or disclosure have been adjusted or disclosed.

Yours sincerely

**Robert Emmott**  
**Executive Director of Corporate Services**



## Appendix C: Proposed Independent Auditor's Report for Dundee City Council Charitable Trusts

### Independent auditor's report to the trustees of Dundee City Council Charitable Trusts and the Accounts Commission

#### Report on the audit of the financial statements

##### Opinion on financial statements

I certify that I have audited the financial statements in the statement of accounts of Dundee City Council Charitable Trusts for the year ended 31 March 2024 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Receipts and Payments, the Statement of Balances and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and a receipts and payments basis.

In my opinion the accompanying financial statements:

- properly present the receipts and payments of the charities for the year ended 31 March 2024 and their statement of balances at that date; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulations 9(1), (2) and (3) of The Charities Accounts (Scotland) Regulations 2006.

##### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charities in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Responsibilities, the trustees are responsible for the preparation of financial statements that properly present the receipts and payments of the charities, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

##### Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the local government sector and charity sector to identify that the Local Government (Scotland) Act 1973, Charities and Trustee Investment (Scotland) Act 2005 and The Charities Accounts (Scotland) Regulations 2006 are significant in the context of the charities;
- inquiring of the Trustees as to other laws or regulations that may be expected to have a fundamental effect on the operations of the charities;
- inquiring of the Trustees concerning the charities' policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the charities' controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## Reporting on other requirements

### Other information

The trustees are responsible for the other information in the statement of accounts. The other information comprises the Trustees' Annual Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Trustees' Annual Report to the extent explicitly stated in the following opinion prescribed by the Accounts Commission.

### Opinions prescribed by the Accounts Commission on the Trustees' Annual Report

In my opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with The Charity Accounts (Scotland) Regulations 2006.

**Matters on which I am required to report by exception**

I am required by The Charity Accounts (Scotland) Regulations 2006 to report to you if, in my opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

**Use of my report**

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

**Rachel Browne CPFA  
Audit Director  
Audit Scotland  
102 West Port  
Edinburgh  
EH3 9DN**

Rachel Browne is eligible to act as an auditor in terms of Part VII of the Local Government (Scotland) Act 1973.

## Appendix D: Proposed Independent Auditor's Report for the Lord Provost of Dundee Charity Fund

### Independent auditor's report to the trustees of the Lord Provost of Dundee Charity Fund and the Accounts Commission

#### Report on the audit of the financial statements

##### Opinion on financial statements

I certify that I have audited the financial statements in the statement of accounts of the Lord Provost of Dundee Charity Fund for the year ended 31 March 2024 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Receipts and Payments, the Statement of Balances and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and a receipts and payments basis.

In my opinion the accompanying financial statements:

- properly present the receipts and payments of the charity for the year ended 31 March 2024 and its statement of balances at that date; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulations 9(1), (2) and (3) of The Charities Accounts (Scotland) Regulations 2006.

##### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Responsibilities, the trustees are responsible for the preparation of financial statements that properly present the receipts and payments of the charity, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

##### Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the local government sector and charity sector to identify that the Local Government (Scotland) Act 1973, Charities and Trustee Investment (Scotland) Act 2005 and The Charities Accounts (Scotland) Regulations 2006 are significant in the context of the charity;
- inquiring of the Trustees as to other laws or regulations that may be expected to have a fundamental effect on the operations of the charity;
- inquiring of the Trustees concerning the charity's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the charity's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## Reporting on other requirements

### Other information

The trustees are responsible for the other information in the statement of accounts. The other information comprises the Trustees' Annual Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Trustees' Annual Report to the extent explicitly stated in the following opinion prescribed by the Accounts Commission.

### Opinions prescribed by the Accounts Commission on the Trustees' Annual Report

In my opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with The Charity Accounts (Scotland) Regulations 2006.

**Matters on which I am required to report by exception**

I am required by The Charity Accounts (Scotland) Regulations 2006 to report to you if, in my opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

**Use of my report**

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

**Rachel Browne CPFA  
Audit Director  
Audit Scotland  
102 West Port  
Edinburgh  
EH3 9DN**

Rachel Browne is eligible to act as an auditor in terms of Part VII of the Local Government (Scotland) Act 1973.

## Appendix E: Proposed Independent Auditor's Report for Fleming Trust

### Independent auditor's report to the trustees of the Fleming Trust and the Accounts Commission

#### Reporting on the audit of the financial statements

##### Opinion on financial statements

I certify that I have audited the financial statements in the statement of accounts of the Fleming Trust for the year ended 31 March 2024 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of Fleming Trust as at 31 March 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of The Charities Accounts (Scotland) Regulations 2006.

##### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

##### Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of financial statements that give a true and fair view in

accordance with the financial reporting framework, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees intend to discontinue the charity's operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the local government sector and charity sector to identify that the Local Government (Scotland) Act 1973, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 are significant in the context of the charity;
- inquiring of the Trustees as to other laws or regulations that may be expected to have a fundamental effect on the operations of the charity;
- inquiring of the Trustees concerning the charity's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the charity's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.



## Reporting on other requirements

### Other information

The trustees are responsible for the other information in the statement of accounts. The other information comprises the Trustees' Annual Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Trustees' Annual Report to the extent explicitly stated in the following opinion prescribed by the Accounts Commission.

### Opinions prescribed by the Accounts Commission on the Trustees' Annual Report

In my opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Charities SORP (FRS 102).

### Matters on which I am required to report by exception

I am required by The Charity Accounts (Scotland) Regulations 2006 to report to you if, in my opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

## Use of my report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

**Rachel Browne CPFA**  
**Audit Director**  
**Audit Scotland**  
**102 West Port**  
**Edinburgh**  
**EH3 9DN**

Rachel Browne is eligible to act as an auditor in terms of Part VII of the Local Government (Scotland) Act 1973.

## Appendix F: Letter of Representation (ISA 580) for Dundee City Council Charitable Trusts, Lord Provost of Dundee Charity Fund and Fleming Trust

**To be reproduced on headed paper, signed by Section 95 Officer and provided to appointed auditor with signed sets of charitable trusts 2023/24 annual accounts**

Rachel Browne, Audit Director  
Audit Scotland  
4th Floor  
102 West Port  
Edinburgh  
EH3 9DN

25 September 2024

Dear Rachel

### Dundee City Council Charitable Trusts Lord Provost of Dundee Charity Fund Fleming Trust

#### Annual Accounts 2023/24

1. This representation letter is provided about your audit of the annual accounts of Dundee City Council Charitable Trusts, the Lord Provost of Dundee Charity Fund and Fleming Trust for the year ended 31 March 2024 (the Trusts) or the purpose of expressing an opinion as to whether the financial statements properly presents the financial position of the Trusts as at 31 March 2024 and their receipts and payments, or incoming resources and application of resources, for the year then ended.
2. I confirm to the best of my knowledge and belief and having made appropriate enquiries of the trustees, the following representations given to you in connection with your audit for the year ended 31 March 2024.

#### General

3. I acknowledge my responsibility and that of the trustees for the preparation of the financial statements. All the accounting records requested have been made available to you for the purposes of your audit. All material agreements and transactions undertaken by the Trusts have been properly reflected in the financial statements. All other records and information have been made available to you, including minutes of all management and other meetings.
4. The information given in the Trustees' Reports present a balanced picture of the Trusts and is consistent with the financial statements.
5. I confirm that the effects of uncorrected misstatements are immaterial, individually and in aggregate, to the financial statements as a whole. I am not aware of any uncorrected misstatements other than those reported by you.

#### Financial Reporting Framework

6. The financial statements have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973 including all relevant presentation and disclosure requirements. The financial statements also comply with the requirements of the Charities and

Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 and guidance issued by the Office of the Scottish Charity Regulator (OSCR).

7. Disclosure has been made in the financial statements of all matters necessary for them to properly present the transactions and state of affairs of each charity for the year ended 31 March 2024.

### Accounting policies

8. The financial statements have been prepared on a receipts and payments basis or an accruals basis in accordance with the applicable regulations and the founding documents of the Trusts.

### Going Concern

9. The Trustees have assessed the ability of the Trusts to carry on as a going concern, and have disclosed in the financial statements, any material uncertainties that have arisen as a result.

### Related party transactions

10. There were no related party transactions with any party other than Dundee City Council as administering agent.

### Events subsequent to the balance sheet date

11. There have been no material events since the date of the statement of balances which necessitate revision of the figures in the financial statements or notes thereto, including contingent assets and liabilities.

12. Since the date of the statement of balances no events or transactions have occurred which, though properly excluded from the financial statements, are of such importance that they should be brought to your notice.

### Corporate governance

13. The business of the Trusts is recorded in the systems of Dundee City Council. As section 95 officer for Dundee City Council, I confirm that there are no issues or deficiencies in internal control that require to be disclosed within the financial statements of the Trusts.

### Fraud

14. I have considered the risk that the financial statements may be materially misstated as a result of fraud or irregularity. There have been no actual or alleged frauds or irregularities involving trustees or staff of Dundee City Council that could affect the financial statements of the Trusts.

### Assets

15. The assets shown in the statement of balances or balance sheet at 31 March 2024 were owned by the Trusts. Assets are free from any lien, encumbrance or charge. There are no plans or intentions that are likely to affect the carrying value of classification of the assets within the financial statements.

### Liabilities

16. All liabilities at 31 March 2024 of which I am aware have been reported in the financial statements.

Yours sincerely

**Robert Emmott**  
**Executive Director of Corporate Services, Dundee City Council, for and on behalf of the trustees of the Trusts administered by Dundee City Council**

## Appendix G: Proposed Independent Auditor's Report for the Dundee Trust

### Independent auditor's report to the trustees of the Dundee Trust and the Accounts Commission

#### Report on the audit of the financial statements

##### Opinion on financial statements

I certify that I have audited the financial statements in the statement of accounts of the Dundee Trust for the period ended 24 April 2024 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Receipts and Payments, the Statement of Balances and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and a receipts and payments basis.

In my opinion the accompanying financial statements:

- properly present the receipts and payments of the charity for the period ended 24 April 2024 and its statement of balances at that date; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulations 9(1), (2) and (3) of The Charities Accounts (Scotland) Regulations 2006.

##### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Responsibilities, the trustees are responsible for the preparation of financial statements that properly present the receipts and payments of the charity, and for such internal control as the trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

##### Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the local government sector and charity sector to identify that the Local Government (Scotland) Act 1973, Charities and Trustee Investment (Scotland) Act 2005 and The Charities Accounts (Scotland) Regulations 2006 are significant in the context of the charity;
- inquiring of the Trustees as to other laws or regulations that may be expected to have a fundamental effect on the operations of the charity;
- inquiring of the Trustees concerning the charity's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the charity's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## Reporting on other requirements

### Other information

The trustees are responsible for the other information in the statement of accounts. The other information comprises the Trustees' Annual Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Trustees' Annual Report to the extent explicitly stated in the following opinion prescribed by the Accounts Commission.

### Opinions prescribed by the Accounts Commission on the Trustees' Annual Report

In my opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with The Charity Accounts (Scotland) Regulations 2006.

**Matters on which I am required to report by exception**

I am required by The Charity Accounts (Scotland) Regulations 2006 to report to you if, in my opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

**Use of my report**

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

**Rachel Browne CPFA  
Audit Director  
Audit Scotland  
102 West Port  
Edinburgh  
EH3 9DN**

Rachel Browne is eligible to act as an auditor in terms of Part VII of the Local Government (Scotland) Act 1973.

## Appendix H: Letter of Representation (ISA 580) for Dundee Trust

**To be reproduced on headed paper, signed by Section 95 Officer and provided to appointed auditor with signed set of Dundee Trust 2023/24 annual accounts**

Rachel Browne, Audit Director  
Audit Scotland  
4th Floor  
102 West Port  
Edinburgh  
EH3 9DN

25 September 2024

Dear Rachel

### Dundee Trust

#### Annual Accounts 2023/24

**17.** This representation letter is provided about your audit of the annual accounts of the Dundee Trust for the period up to 24 April 2024 (the Trust) or the purpose of expressing an opinion as to whether the financial statements properly present the financial position of the Trust as at 24 April 2024 and the receipts and payments for the year then ended.

**18.** I confirm to the best of my knowledge and belief and having made appropriate enquiries of the trustees, the following representations given to you in connection with your audit for the period ended 24 April 2024.

#### General

**19.** I acknowledge my responsibility and that of the trustees, for the preparation of the financial statements. All the accounting records requested have been made available to you for the purposes of your audit. All material agreements and transactions undertaken by the Trust have been properly reflected in the financial statements. All other records and information have been made available to you, including minutes of all management and other meetings.

**20.** The information given in the Trustees' Report present a balanced picture of the Trust and is consistent with the financial statements.

**21.** I confirm that the effects of uncorrected misstatements are immaterial, individually and in aggregate, to the financial statements as a whole. I am not aware of any uncorrected misstatements other than those reported by you.

#### Winding up of Dundee Trust

**22.** During 2019/20 the funds held in the Dundee Trust were donated to the Lord Provost of Dundee Charity Fund leaving it with a nil balance since 31 March 2020. The trust also holds no assets so has been effectively dormant since this date. As a result, the Office of the Scottish Charity Regulator (OSCR) removed it from its list of Scottish Charities as of 24 April 2024. Steps are being taken to formally wind up the trust in accordance with the Trust Deed. The Trustees have prepared revised accounts for the period 1 April 2023 to 24 April 2024 and these will be the last accounts produced for the Dundee Trust.



## Financial Reporting Framework

**23.** The financial statements have been prepared in accordance with the requirements of Local Government (Scotland) Act 1973 including all relevant presentation and disclosure requirements. The financial statements also comply with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 and guidance issued by the Office of the Scottish Charity Regulator (OSCR).

**24.** Disclosure has been made in the financial statements of all matters necessary for them to properly present the transactions and state of affairs of each charity for the period ended 24 April 2024.

## Accounting policies

**25.** The financial statements have been prepared on a receipts and payments basis in accordance with the applicable regulations and the founding documents of the Trust.

## Related party transactions

**26.** There were no related party transactions with any party other than Dundee City Council as administering agent.

## Events subsequent to the balance sheet date

**27.** There have been no material events since the date of the statement of balances which necessitate revision of the figures in the financial statements or notes thereto, including contingent assets and liabilities.

**28.** Since the date of the statement of balances no events or transactions have occurred which, though properly excluded from the financial statements, are of such importance that they should be brought to your notice.

## Corporate governance

**29.** The business of the Trust is recorded in the systems of Dundee City Council. As section 95 officer for Dundee City Council, I confirm that there are no issues or deficiencies in internal control that require to be disclosed within the financial statements of the Trust.

## Fraud

**30.** I have considered the risk that the financial statements may be materially misstated as a result of fraud or irregularity. There have been no actual or alleged frauds or irregularities involving trustees or staff of Dundee City Council that could affect the financial statements of the Trust.

Yours sincerely

**Robert Emmott**

**Executive Director of Corporate Services, Dundee City Council, for and on behalf of the trustees of the Dundee Trust**

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# Dundee City Council

## 2023/24 Annual Audit Report



Prepared for the Members of Dundee City Council and the Controller of Audit  
25 September 2024

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# Key messages

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## Audit of 2023/24 annual accounts

- 1 Audit opinions on Dundee City Council's 2023/24 annual accounts, and the statement of accounts of the four section 106 charities administered by the council, are unmodified.
- 2 The 2023/24 annual accounts were certified on 25 September 2024, in line with the agreed audit timetable.

## Financial management

- 3 The council's budget setting and financial management arrangements operated effectively during 2023/24.
- 4 Excluding the one-off impact of Service Concession Flexibility, the council had an overspend on general fund services of £18 million (4%) for 2023/24, with City Development reporting a £5.2 million overspend for the year. An overspend of £4.1 million (7%) was reported against the annual HRA revenue budget due to higher than budgeted repairs and maintenance costs.
- 5 The council reported slippage of 36 per cent against its 2023/24 capital plan. This is an improvement on the delivery of the capital programme in recent years. However, management should review the project to increase the supply of council housing in the city to ensure it provides a realistic timetable for completions. Alongside this it should also look to identify ways to increase the number of new properties being completed each year.

## Financial sustainability

- 6 The council's general fund reserve balance increased in the year due to the application of the service concession financial flexibility accounting arrangements. There is a clear plan to use the impact of this in a prudent manner.
- 7 The 2024/25 general fund revenue budget gap of £13.1 million is being met by additional Scottish Government funding and planned use of reserves. The council has also approved plans to reduce teacher numbers to achieve annual savings of around £2 million.
- 8 Future financial plans show a cumulative funding gap of £24 million for the period 2024-2027. The council still needs to produce a long-term financial

strategy to project costs for the next 10 years and to show how resources will be targeted towards priority areas.

- 9 The council is to commission a review of Leisure and Culture Dundee to ensure that sustainable services can be maintained in the longer term.

## Best Value

- 10 The Accounts Commission noted the council's clear and effective leadership and commitment to community empowerment and engagement and was assured that action is being taken in response to long standing issues such as educational attainment and drug deaths.
- 11 Our Best Value thematic review of workforce innovation confirmed that the council has a workforce plan to support the delivery of its strategic objectives, but it needs to ensure this aligns with its service plans and digital strategy.

## Vision, leadership, governance and use of resources

- 12 The council has an established performance framework which aligns with the Council Plan. Progress against the Council Plan priority areas is generally positive with 64 per cent of the performance indicators within 5 per cent of the target identified in the plan.
- 13 The council was in the top half of its family group for 49 per cent of the Local Government Benchmarking Framework indicators for 2022/23, a slight decrease from the prior year. Performance compared to other councils has remained similar over the last 5 years, with educational attainment measures generally remaining in the bottom quartile.



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# Introduction

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1. This report summarises the findings from the 2023/24 annual audit of Dundee City Council and will be published on Audit Scotland's website: [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk).
2. The scope of the audit was set out in an annual audit plan presented to the April 2024 meeting of the Scrutiny Committee. This annual audit report comprises significant matters arising from the audit of Dundee City Council's 2023/24 annual accounts and conclusions on the wider scope areas set out in the [Code of Audit Practice](#).
3. We would like to thank elected members, management and staff, particularly those in finance, for their cooperation and assistance during the audit.

## Responsibilities and reporting

4. Dundee City Council has responsibility for ensuring the proper financial stewardship of public funds. This includes preparing annual accounts that are in accordance with proper accounting practices. Dundee City Council is also responsible for compliance with legislation and establishing appropriate arrangements for governance and propriety.
5. The responsibilities of the independent auditor are established by the Local Government (Scotland) Act 1973, the [Code of Audit Practice](#) and supplementary guidance and International Standards on Auditing in the UK.
6. This report contains an agreed action plan at [Appendix 1](#) setting out specific recommendations, responsible officers and dates for implementation. Weaknesses or risks identified in this report are only those which have come to our attention during our audit work and may not be all that exist. Communicating these does not absolve management of its responsibility to address the issues raised and to maintain adequate systems of control.

## Auditor Independence

7. We can confirm that we comply with the Financial Reporting Council's Ethical Standard. We can also confirm that we have not undertaken any non-audit related services and therefore the 2023/24 audit fee of £451,860 (£444,360 for the council and £7,500 for the charitable trusts), as set out in our Annual Audit Plan, remains unchanged. We are not aware of any relationships that could compromise our objectivity or independence.

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# 1. Audit of 2023/24 annual accounts

Public bodies are required to prepare annual accounts comprising financial statements and other related reports. These are the principal means of accounting for the stewardship of public funds.

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**Audit opinions on Dundee City Council's 2023/24 annual accounts, and the statement of accounts of the four section 106 charities administered by the council, are unmodified.**

**The 2023/24 annual accounts were certified on 25 September 2024, in line with the agreed audit timetable.**

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## **Audit opinions on the annual accounts are unmodified**

8. The independent auditor's report included the following audit opinions on the annual accounts:

- the financial statements give a true and fair view and were properly prepared in accordance with the financial reporting framework
- the audited part of the remuneration report was prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014
- the management commentary and annual governance statement were consistent with the financial statements and properly prepared in accordance with the applicable requirements.

## **The 2023/24 annual accounts were certified on 25 September 2024, in line with the agreed audit timetable**

9. We received the unaudited annual accounts on 26 June 2024, in line with the agreed audit timetable. The accounts and working papers presented for audit were of an adequate standard. We make two recommendations for improvement to the unaudited accounts in [Appendix 1](#). Management and finance staff provided good support to the team during the audit process. This enabled the final accounts audit to be completed in line with the agreed audit timetable and the 2023/24 annual accounts were certified on 25 September 2024.

## **Our audit approach and testing were informed by the overall materiality level of £19.6 million**

10. The concept of materiality is applied by auditors to determine whether misstatements identified during the audit could reasonably be expected to

influence the economic decisions of users of the financial statements, and impact the opinion set out in the independent auditor’s report. Auditors set a monetary threshold when considering materiality although some issues may be considered material by their nature, and it is ultimately a matter of the auditor’s professional judgement.

**11.** Our initial assessment of materiality was carried out during the planning phase of the audit and was based on the group financial results reported in the council’s audited 2022/23 annual accounts. These materiality levels were reported in our annual audit plan to the April 2024 meeting of the Scrutiny Committee.

**12.** On receipt of the unaudited 2023/24 annual accounts we reviewed our materiality levels based on the financial results for the year ended 31 March 2024, and concluded that the materiality levels set at the planning stage were still appropriate. These are detailed in [Exhibit 1](#).

**Exhibit 1**  
**Materiality levels for the 2023/24 audit**

Materiality level	Amount
<b>Overall materiality:</b> This is the figure we calculate to assess the overall impact of audit adjustments on the financial statements. It has been set based on our assessment of the needs of the users of the financial statements and the nature of the council’s operations.	£19.6 million
<b>Performance materiality:</b> This is used by auditors when undertaking work on individual areas of the financial statements. It is a lower materiality threshold, set to reduce the probability of aggregated misstatements exceeding overall materiality. Performance materiality was set at 50 per cent of overall materiality, reflecting the scale of previous year’s adjustments, the extent of estimation in the accounts and the planned testing in proportion to the scale of the organisation.	£9.8 million
<b>Reporting threshold:</b> We are required to report to those charged with governance on all unadjusted misstatements more than the ‘reporting threshold’ amount.	£0.5 million

Source: Audit Scotland

**Our audit identified and addressed the risks of material misstatement**

**13.** [Exhibit 2](#) sets out the significant and non-significant risks of material misstatement to the financial statements. It also summarises the further audit procedures we performed during the year to obtain assurances over these risks and the conclusions from the work completed.

## Exhibit 2

### Significant and non-significant risks of material misstatement

Nature of risk	Audit response	Conclusion
<b>Significant risks of material misstatement</b>		
<p><b>1. Risk of material misstatement due to fraud caused by management override of controls</b></p> <p>As stated in International Standard on Auditing (UK) 240, management is in a unique position to perpetrate fraud because of management's ability to override controls that otherwise appear to be operating effectively.</p>	<ul style="list-style-type: none"> <li>• Assess the design and implementation of controls over journal entry processing.</li> <li>• Make enquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments.</li> <li>• Test journals at the year-end and post-closing entries and focus on significant risk areas.</li> <li>• Consider the need to test journal entries and other adjustments during the period.</li> <li>• Evaluate significant transactions outside the normal course of business.</li> <li>• Assess any changes to the methods and underlying assumptions used to prepare accounting estimates compared to the prior year.</li> <li>• Substantively test income and expenditure transactions around the year-end to confirm they are accounted for in the correct financial year.</li> <li>• Test accounting accruals and prepayments focusing on significant risk areas.</li> </ul>	<p>The completion of the assurance procedures did not identify any evidence of management override of controls.</p>

Nature of risk	Audit response	Conclusion
<p><b>2. Estimation in the valuation of Other Land and Buildings (OLB)</b></p> <p>The valuations of OLB assets are significant estimates. Valuations are based on specialist and management assumptions and changes in these can result in material changes to valuations.</p> <p>All OLB assets are revalued on a five-year rolling basis. Values may also change year on year, and it is important that the council ensures the financial statements accurately reflect the value of OLB.</p>	<ul style="list-style-type: none"> <li>• Review the information provided to the external valuer to assess for completeness.</li> <li>• Evaluate the competence, capabilities, and objectivity of the professional valuer.</li> <li>• Complete a walkthrough of the valuation process for OLB to obtain an understanding of the process, including the methodologies and assumptions applied.</li> <li>• Obtain an understanding of the management’s involvement in the valuation process to assess if appropriate oversight has occurred.</li> <li>• Test the asset register records against the annual valuation report to ensure asset valuations and useful lives are accurately reflected.</li> <li>• Sample testing of valuations and lives of individual assets revalued during 2023/24, and agreement of related accounting entries.</li> <li>• Examine management’s assessment of fair value of assets not subject to full revaluation in 2023/24. We will critically assess if this is based on expert valuer’s opinion/ and assess the appropriateness of any assumptions.</li> </ul>	<p>We reviewed and tested assets which were subject to a full revaluation process in 2023/24 (mainly schools) and did not find any errors in the valuation.</p> <p>The council undertook an indexation exercise on significant assets which were not formally revalued. We were satisfied that the methodology used was reasonable, however we identified a calculation error resulting in an overstatement.</p> <p>Refer to issue 3 in <a href="#">Exhibit 3</a>.</p>

Nature of risk	Audit response	Conclusion
<b>Other risks of material misstatement</b>		
<p><b>3. Estimation in the valuation of Dwellings</b></p> <p>The valuations of dwellings are significant estimates. Valuations are based on a specialist beacon approach and management assumptions, changes in which can result in material changes to valuations.</p> <p>A valuation of dwellings is being undertaken during 2023/24 as part of the council's 5 year rolling programme and the results of the valuation exercise will be reflected in the annual accounts.</p>	<ul style="list-style-type: none"> <li>• Review the information provided to the internal valuer to assess for completeness.</li> <li>• Evaluate the competence, capabilities, and objectivity of the professional valuer.</li> <li>• Obtain an understanding of the management's involvement in the valuation process to assess if appropriate oversight has occurred.</li> <li>• Test the asset register records against the annual valuation report to ensure asset valuations and useful lives are accurately reflected.</li> <li>• Sample testing of valuations and lives of assets revalued during 2023/24, and agreement of related accounting entries.</li> </ul>	<p>Dwellings were subject to a full valuation process in 2023/24. We reviewed and tested this and did not identify any material issues, however we did note 2 misstatements.</p> <p>Refer to issue 4 in <a href="#">Exhibit 3</a>.</p>
<p><b>4. Estimation in the valuation of pension assets and liabilities</b></p> <p>Actuarial estimates are a complex combination of liabilities over significant future periods based on life expectancy, CPI growth and discounting (based on corporate bond rates).</p> <p>Assets are based on an individual employer body's share of assets at the last triennial valuation of the pension fund. Roll forward adjustments are made to members data and to asset valuations.</p> <p>There is a risk that small changes in the assumptions used can lead to large changes in the valuations, creating a risk of material misstatement in the annual accounts.</p>	<ul style="list-style-type: none"> <li>• Assess the scope, independence and competence of the professionals engaged in providing estimates for pensions.</li> <li>• Review the appropriateness of actuarial assumptions and results including comparison with other councils and the pension fund as a whole.</li> <li>• Establish officers' arrangements for ensuring the reasonableness of professional estimations and the accuracy of information provided to the actuary by the council.</li> </ul>	<p>We did not identify any errors in the valuation of pension assets and liabilities.</p>

## We reported the significant findings from the audit prior to the annual accounts being approved and certified

**14.** Under International Standard on Auditing (UK) 260, we are required to communicate significant findings from the audit, including our view about the qualitative aspects of the body’s accounting practices, to those charged with governance prior to the audited annual accounts being approved and certified.

**15.** The Code of Audit Practice also requires us to highlight key audit matters which are defined in ISA (UK) 701 as those matters judged to be of most significance.

**16.** The significant findings are summarised in [Exhibit 3](#).

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### Exhibit 3

#### Significant findings and key matters from the audit of the annual accounts

Issue	Resolution
<p><b>1. Application of financial flexibility for Service Concession Arrangements</b></p> <p>The Scottish Government introduced a series of enhanced financial flexibility arrangements to enable local authorities to vary proper accounting practice and help mitigate the financial impact of Covid-19. The council agreed to apply the flexibility permitted by <a href="#">Local government finance circular 10/2022 - finance leases and service concession arrangements: statutory guidance</a> (PFI/PPP schemes) from 1 April 2023. This allows the associated debt to be repaid over the life of the asset rather than the contract period as per the previously mandated accounting practice.</p> <p>The council has 3 PPP schemes: the Education Services PFI scheme, the Baldrigon DBFM Project and the Waste Disposal Project. The retrospective application of financial flexibility accounting arrangements to these schemes resulted in a one-off cumulative saving of £39.8 million during 2023/24 which has been added to usable reserves.</p> <p><b>We comment further on the financial impact of this at paragraphs <a href="#">62.</a> to <a href="#">65.</a></b></p>	<p>We are satisfied that the council has correctly accounted for the permitted financial flexibility for Service Concession Arrangements.</p> <p>This was judged to be a key audit matter.</p>

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Issue	Resolution
<p><b>2. Disclosure and classification errors in accounts presented for audit</b></p> <p>The accounts presented for audit were complete but our audit identified a number of disclosure and classification errors within the notes to the financial statements that had to be corrected in the audited accounts. These impacted upon the figures presented in a range of notes including <i>Note 31. Short Term Debtors</i>, <i>Note 32. Short Term Creditors</i> and <i>Note 37. Financial Instruments</i>. However, as these errors only related to disclosures in the notes to the financial statements, these corrections did not impact on either the ‘Deficit on Provision of Service’ for the year ended 31 March 2024 reported in the <i>Comprehensive Income and Expenditure Statement</i> or the ‘Net Assets’ as at 31 March 2024 reported in the <i>Balance Sheet</i>.</p>	<p>Management corrected these misstatements in the audited 2023/24 annual accounts and agreed to review the accounts preparation timetable for 2024/25 to enable a detailed check of the annual accounts to be undertaken prior to them being presented for audit next year.</p> <p><b>Recommendation 1 at Appendix 1</b></p>
<p><b>3. Revaluation of Other Land and Buildings</b></p> <p>The carrying amount of an item of property, plant and equipment should reflect its current value. However, the Code of Practice on Local Authority Accounting (the Code) does not explicitly require an annual revaluation. Instead, revaluations are required to be made with sufficient regularity to ensure that the carrying amount does not differ materially from the current value. The Code permits a maximum interval of five years between valuations but that is only appropriate where the change in value in the intervening period is not significant. Therefore, more frequent valuations are required for assets that experience significant annual changes in value.</p> <p>The unaudited annual accounts reported an overall carrying value for other land and buildings of £1.050 billion, of which £709 million of assets were formally revalued during 2023/24. Of the remaining £341 million of assets, some elements had not been valued for up to 4 years, in accordance with the accounting policy of the council. We considered the council’s approach to ensuring that the carrying value of these assets was not materially mis-stated.</p> <p>An indexation exercise was carried out on 22 major assets with a valuation of £160 million which are valued using the depreciated replacement cost methodology. Whilst we were satisfied that the council’s approach was based on a reasonable indexation factor and other inputs, we identified an error in the final calculation. This resulted in the valuation being overstated by £6.7 million.</p> <p>For assets which are valued using the open market valuation approach (mainly offices, industrial units and off street car parks), the council discussed with the Valuer the potential for market movements and identified that there would have been no material valuation movement. We reviewed this assumption and we were satisfied that it was reasonable.</p>	<p>Management corrected the audited 2023/24 annual accounts to reflect the current valuations of land and buildings.</p>



Issue	Resolution
<p><b>4. Revaluation of Council Dwellings</b></p> <p>As part of the council’s rolling 5-year valuation programme for property, the council’s housing stock was revalued during the year. The net book value at 31 March 2024 was £509 million, a decrease of £32 million on the value of £541 million at 31 March 2023.</p> <p>In accordance with the Code of Practice on Local Authority Accounting, the basis of the valuation was existing use value for social housing (EUV-SH). In line with recommended practice, a beacon approach was adopted by the council’s internal valuers as the basis for the valuation process.</p> <p>To calculate the discount to be applied to EUV to reflect social housing values, the council compared the average difference in monthly rent for former council properties now available for private rental to the monthly rental charged by the council for similar properties in similar areas of the city. This identified that private rents were on average 50 per cent higher than those charged by the council. A discount factor of 50 per cent was therefore applied to the values calculated using the beacon approach to calculate the existing use value for social housing of these properties.</p> <p>While we were content with the overall valuation methodology and results, our review of the valuation process identified the following issues:</p> <ul style="list-style-type: none"> <li>• A discrepancy was identified in the number of properties included in the revaluation exercise and the number of properties held by the council’s housing service. This resulted in an understatement of the valuation of £0.6 million.</li> <li>• The basis for the valuation used for new build properties at the Derby Street development used an insurance valuation rather than that prepared by the council’s Valuer. This resulted in the valuation being overstated by £2.076 million.</li> </ul>	<p>Management corrected the audited 2023/24 annual accounts to reflect the current valuations of dwellings.</p>

Issue	Resolution
<p><b>5. Grant income unspent at year end</b></p> <p>Grants and other contributions received should be recognised as income in the financial year they are received, unless any conditions that could lead to the fund having to be returned have not been satisfied by the year end. Where there is reasonable assurance that the body will comply with any such conditions, recognition should be in the Grants Received in Advance Account. Only where there is no certainty that the conditions of the grant will be complied with, and the funds will need to be returned, should a liability be recognised.</p> <p>Our review of Short Term Creditors identified an entry for £0.6 million relating to 'Carry forward of HEEPs (Home Energy Efficiency Programme) Grant into 2024/25'. However, there are no conditions attached to this grant and therefore this should have been accounted for as income during the year.</p> <p>As a result of this misstatement, we reviewed short term creditors for other similar balances and identified a further £2.2m of grant income which should also have been recognised as income during the year. Therefore, a total of £2.8m of grant income had been included as short term creditors in the unaudited accounts which should have been recognised as income.</p>	<p>As this is below our performance materiality level, management opted not to amend the accounts for this total and this is reported as an unadjusted error in the audited 2023/24 annual accounts.</p> <p>Management has agreed to put year end procedures in place to ensure that all unspent grants are correctly accounted for the 2024/25 annual accounts.</p> <p><b><a href="#">Recommendation 2 at Appendix 1</a></b></p>
<p><b>6. Group Accounts</b></p> <p>Group financial statements are those in which the assets, liabilities, reserves, income, expenses and cash flows of a parent body and its subsidiaries, plus its investments in associates and interests in joint ventures, are presented as those of a single economic entity. The council consolidates its material group components in group accounts included in the financial statements.</p> <p>Similar to point 2 above, our review of the group accounts in the unaudited accounts identified a number of disclosure and classification errors. For example, Total Reserves per the <i>Movement in Reserves Statement</i> did not agree to Total reserves per the <i>Balance Sheet</i> and there were addition errors within the <i>Group Comprehensive Income and Expenditure Statement</i> and <i>Balance Sheet</i>.</p> <p>We also considered the presentation of the Group Accounts and made suggestions to the council as to how this could be improved.</p>	<p>Management corrected the misstatements identified, and made the suggested revisions to the presentation of the group statements, for the audited 2023/24 annual accounts.</p> <p>As with Point 2 above, management agreed to review the accounts preparation timetable for 2024/25 to enable a detailed check of the annual accounts to be undertaken prior to them being presented for audit next year.</p> <p><b><a href="#">Recommendation 1 at Appendix 1</a></b></p>

Issue	Resolution
<p><b>7. Low emission zone (LEZ) accounting requirements</b></p> <p>The <a href="#">Low Emission Zones (Scotland) Regulations 2021</a> require local authorities who operate a LEZ to maintain proper accounting records of the costs of setting up and operating the scheme, any related funding, and the income generated through the scheme. The regulations also require the local authority to publish a LEZ statement of account as a disclosure note within the annual accounts each year.</p> <p>2023/24 is the first year that Dundee City Council was required to prepare this disclosure note but it was not included within the annual accounts presented for audit.</p>	<p>Management has now prepared the required disclosure note and included this at <i>Note 50. Low Emissions Zone Statement of Account</i> within the audited 2023/24 annual accounts.</p> <p>For information, as the council's LEZ only came into operation on 1 June 2024, there were no operating costs or income raised through penalties during the 2023/24 financial year. The disclosure note only reflects the costs incurred in setting up the scheme, and the related funding received up to 31 March 2024.</p>
<p><b>8. Remuneration report - Trade Union (Facility Time Publication Requirements) Regulations 2017 disclosures</b></p> <p>The Trade Union (Facility Time Publication Requirements) Regulations 2017 require a range of information in relation to the time and costs of employee involvement in trade union activity to be published by the council each year. Guidance from the Cabinet Office indicates that this should be disclosed in the remuneration report.</p> <p>These disclosures have been required since 2020/21 but the council current processes rely on the provision of information by its Trade Unions in time for inclusion in the current year accounts (i.e. latest data published in remuneration report in 2023/24 annual accounts is incomplete and relates to 2022/23).</p>	<p>Management has agreed to put arrangements in place to ensure the required information is collated and disclosed in the remuneration report in the 2024/25 annual accounts.</p> <p><b>Recommendation 3 at <a href="#">Appendix 1</a></b></p>

Source: Audit Scotland

**Total misstatements identified during the audit were £13.1 million, including unadjusted misstatements of £2.8 million**

**17.** It is our responsibility to request that all misstatements, other than those below our reporting threshold, are corrected, although the final decision on making the correction lies with those charged with governance.

18. Total misstatements identified were £13.1 million which exceeds our performance materiality threshold. We considered whether further audit procedures were required and reviewed the nature and causes of these misstatements, which mainly related to non-current asset adjustments (£9.4 million relates to issues 3 and 4 in [Exhibit 3](#)). We have concluded that these arose from issues that have been isolated and identified in their entirety and do not indicate further systemic error. We considered whether other misstatements presented material risks of misstatement in the relevant account area and concluded they did not.

19. We also identified one misstatement which was not corrected by management in the audited accounts. Further details of the uncorrected misstatement is included in [Appendix 2](#). The net impact of this would have been to decrease net expenditure in the comprehensive income and expenditure statement for the year ended 31 March 2024 by £2.8 million, with a corresponding increase in net assets at 31 March 2024 of £2.8 million in the balance sheet.

### **Good progress was made on prior year recommendations**

20. Our [2022/23 annual audit report](#) included 8 recommendations for improvement, which included 3 recommendations from our [Best Value thematic review of Leadership in the development of the council's strategic priorities](#) which was undertaken last year. The council has made good progress in implementing these but 3 have still to be fully addressed. For actions not yet fully implemented, revised responses and timescales have been agreed with management, and are set out in [Appendix 1](#).

### **Audit opinions on the statement of accounts of the four section 106 charities administered by the council are unmodified**

21. Due to the interaction of section 106 of the Local Government in Scotland Act 1973 with the charities legislation, a separate independent auditor's report is required for the statement of accounts of each registered charity administered by the council, irrespective of the size of the charity.

22. The council administers seven charities registered under section 106 but is only required to produce four sets of accounts covering these. The Dundee City Council Charitable Trusts (incorporating four trust funds), the Dundee Trust and the Lord Provost of Dundee Charity Fund accounts were all prepared on a receipts and payments basis. The Fleming Trust accounts were required to be prepared on an accruals basis due to the size and asset base of the trust. The movement in the funds held by these charities during the year is shown in [Exhibit 4](#).

## Exhibit 4

### Movement in funds held by charities administered by Dundee City Council

Charitable Trust Fund	Scottish Charity Number	Opening balance at 1 April 2023 £	Closing balance at 31 March 2024 £
Belmont Trust Estate	SC018900	185,495	185,495
Camperdown Estate	SC018899	2,534	2,534
William Dawson Estate Trust	SC018920	6,645	6,930
Hospital Fund	SC018896	766,741	814,750
<b>Total funds of Dundee City Council Charitable Trusts</b>		<b>961,415</b>	<b>1,009,709</b>
<b>The Dundee Trust</b>	<b>SC046260</b>	<b>Nil</b>	<b>Nil</b>
<b>Lord Provost of Dundee Charity Fund</b>	<b>SC027022</b>	<b>41,836</b>	<b>39,956</b>
<b>Fleming Trust</b>	<b>SC052182</b>	<b>8,489,587</b>	<b>8,738,171</b>

Source: Trustees report and accounts for the year ended 31 March 2024

**23.** Our duties as auditors of the charities administered by Dundee City Council are to:

- express an opinion on whether the charity's financial statements properly present the charity's financial position and are prepared in accordance with charities legislation
- read the trustees' annual report and express an opinion as to whether it is consistent with the financial statements
- report on other matters by exception to the trustees and to the Office of the Scottish Charity Regulator (OSCR).

### We updated the materiality levels for the charities audits

**24.** On receipt of the unaudited 2023/24 annual accounts for each of the charities we reviewed our materiality levels based on the financial results for the year ended 31 March 2024, and concluded that due to some changes in income and expenditure levels our materiality levels set at the planning stage were required to be updated. These are detailed in [Exhibit 5](#).

**Exhibit 5**  
**2023/24 Revised materiality levels for charitable trusts**

Materiality	Dundee City Council Charitable Trusts	Lord Provost Charity Fund	Fleming Trust
<b>Planning materiality:</b> 2 per cent of net assets	£135,000	£835	£175,000
<b>Performance materiality:</b> 75 per cent of planning materiality	£100,000	£625	£131,250
<b>Reporting threshold:</b> 5 per cent of planning materiality	£6,750	£42	£8,750

Source: Audit Scotland

**Our audit identified and addressed the risks of material misstatement for the charities**

**25.** Other than the presumed significant risk of fraud due to management override of controls, which was also identified as a significant risk in respect of the council's annual accounts, no specific risks of material misstatement were identified in respect of the 2023/24 charitable trusts annual accounts. [Exhibit](#) confirms that the further audit procedures we performed during the year to obtain assurances over this risk did not identify any evidence of management override of controls for any of the charitable trusts.

**Exhibit 6**  
**Significant risk of material misstatement for 2023/24 charitable trusts annual accounts**

Nature of risk	Audit response	Conclusion
<p><b>1. Risk of material misstatement due to fraud caused by management override of controls</b></p> <p>As stated in International Standard on Auditing (UK) 240, management is in a unique position to perpetrate fraud because of management's ability to override controls that otherwise appear to be operating effectively.</p>	<ul style="list-style-type: none"> <li>• Test journals at the year-end and post-closing entries and focus on significant risk areas.</li> <li>• Consider the need to test journal entries and other adjustments during the period.</li> <li>• Evaluate significant transactions outside the normal course of business.</li> <li>• Assess any changes to the methods and underlying assumptions used to prepare accounting estimates compared to the prior year.</li> <li>• Substantively test income and expenditure transactions around the year-end to confirm they are accounted for in the correct financial year.</li> <li>• Test accounting accruals and prepayments focusing on significant risk areas</li> </ul>	<p>The completion of the assurance procedures did not identify any evidence of management override of controls.</p>

Source: Audit Scotland

26. We have given unqualified audit opinions on the financial statements of the Section 106 charities administered by the council. The significant findings from the audits are summarised in [Exhibit 7](#).

## Exhibit 7

### Significant findings from the audits of the 2023/24 charitable trusts annual accounts

Issue	Resolution
<p><b>1. Winding up of Dundee Trust</b></p> <p>During 2019/20 the funds held in the Dundee Trust were donated to the Lord Provost of Dundee Charity Fund leaving it with a nil balance since 31 March 2020, as shown in <a href="#">Exhibit 4</a> above. The trust also holds no assets so has effectively been dormant since this date. As a result, the Office of the Scottish Charity Regulator (OSCR) removed it from its list of Scottish Charities as of 24 April 2024. Steps are being taken to formally wind up the trust in accordance with the Trust Deed.</p> <p>This was not disclosed or accounted for within the Draft Accounts.</p>	<p>The Trustees have prepared revised accounts for the period 1 April 2023 to 24 April 2024 and these will be the last accounts produced for the Dundee Trust.</p>

Source: Audit Scotland

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## 2. Financial management

Financial management means having sound budgetary processes, and the ability to understand the financial environment and whether internal controls are operating effectively.

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**The council's budget setting and financial management arrangements operated effectively during 2023/24.**

**Excluding the one-off impact of Service Concession Flexibility, the council had an overspend on general fund services of £18 million (4%) for 2023/24, with City Development reporting a £5.2 million overspend for the year. An overspend of £4.1 million (7%) was reported against the annual HRA revenue budget due to higher than budgeted repairs and maintenance costs.**

**The council reported slippage of 36 per cent against its 2023/24 capital plan. This is an improvement on the delivery of the capital programme in recent years. However, management should review the project to increase the supply of council housing in the city to ensure it provides a realistic timetable for completions. Alongside this it should also look to identify ways to increase the number of new properties being completed each year.**

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**The council's budget setting and financial management arrangements operated effectively during 2023/24**

**27.** The council has a well-established budget setting process that supports councillors to develop and scrutinise savings plans and understand the impact of proposed service changes. The annual budget setting process is informed by a public consultation exercise and is focussed on the council's priorities.

**28.** In February 2023 the council approved a general fund revenue budget for 2023/24 of £410 million. This was based on raising council tax by 4.75 per cent, the achievement of budget savings of £4.9 million, extra income generated from a review of charges of £0.6 million and the release of existing inflationary pressure reserves of £3.8 million, to meet an identified budget gap of £8.4 million and fund additional spending commitments during the year.

**29.** The council is required by legislation to maintain a separate Housing Revenue Account (HRA) and to ensure that rents are set to a level which will at least cover the costs of its social housing provision. Rent levels are therefore a direct consequence of the budget set for the year. In January 2023 the council approved a 3 per cent increase in the average weekly rent levels for tenants for 2023/24. The rent level set reflected the income required to fund the annual HRA budget of £58.9 million.



**30.** The council operates a rolling five-year capital programme. The 2023-2028 Capital Plan was approved in November 2022. The plan detailed a £381 million programme of work split between £259 million of general fund projects and £122 million of housing revenue account projects. Expenditure of £133 million (£103 million for general fund projects and £30 million for HRA projects) was scheduled for 2023/24.

**31.** Revenue, HRA and Capital monitoring reports were taken to each meeting of the City Governance Committee during 2023/24. The reports provided members with a good level of information on the current and forecast year end budget positions along with narrative explaining the key variances and actions being taken to address these.

**Excluding the one-off impact of Service Concession Flexibility, the council had an overspend on general fund services of £18 million (4%) for 2023/24, with City Development reporting a £5.2 million overspend for the year**

**32.** The council reported a £21.9 million underspend on general fund services during 2023/24. However, this underspend position arose largely as a result of the one-off impact of the application of the Service Concession Flexibility of £39.8 million as discussed at paragraphs [62.](#) to [65.](#). Excluding this there was a deficit on the provision of services of £17.9 million (4%) which was funded by the planned use of reserves. Within this, there were a number of significant overspends and underspends on general fund services as detailed in [Exhibit 8](#) on page [22](#).

**A 7 per cent overspend of £4.1 million was reported against the annual HRA revenue budget due to higher than budgeted repairs and maintenance costs**

**33.** The council reported a £4.1 million (7 per cent) overspend against the annual HRA budget for 2023/24. This was mainly attributable to additional expenditure for repairs and maintenance due to higher volume and cost of repairs and additional work undertaken on relets during the year.

## Exhibit 8

### Summary of most significant underspends and overspends against budget

Service area	Main reasons for underspend / overspend
<b>Overspends</b>	
<b>Children and Family Services</b>	<b>£1.7 million overspend</b> Additional staffing costs for teachers. This was mainly as a result of providing cover for absence and maternity leave, and the additional costs incurred due to a higher than anticipated number of children being placed into secure care over the year.
<b>City Development</b>	<b>£5.2 million overspend</b> This was due to a range of factors including: higher than anticipated reactive property maintenance costs; overspend on vehicle parts, materials, fuel and hire costs in relation to the provision of the council's Corporate Fleet portfolio; an under recovery of fee income; reduction in Building Warrants income; and a shortfall in off street parking income. This was partly offset by additional income from the council's commercial property portfolio.
<b>Underspends</b>	
<b>Corporate Services</b>	<b>£2.2 million underspend</b> Mainly attributable to savings from unfilled posts during the year.
<b>Council Tax</b>	<b>£2.3 million underspend</b> This was due to higher than anticipated council tax income collected compared to budget estimates.

Source: Dundee City Council 2023/24 Annual Accounts and revenue monitoring reports to City Governance Committee

## The council reported slippage of 36 per cent against its 2023/24 capital plan

**34.** As detailed at paragraph [30.](#), the council approved a capital programme of £133 million (£103 million for general fund projects and £30 million for HRA projects) for 2023/24.

**35.** Capital works amounting to £85.6 million were completed during 2023/24. This included expenditure of £27.1 million on the East End Community Campus; £10.0 million on the Broughty Ferry to Monifieth active travel improvements project; £3.6 million to increase the supply of Council Dwellings and £2.9 million on roads construction and recycling works.

**36.** The final outturn represented slippage of 36 per cent against the approved programme for the year. However, this represents an improving position compared to previous years (46 per cent in 2022/23, 51 per cent in 2021/22). The main areas of project slippage are detailed in in [Exhibit 9](#) on page [23](#).

**37.** As shown in [Exhibit 9](#), during 2023/24 there was slippage of 69 per cent in the council's programme to increase the supply of council housing in the city. This followed slippage of 75 per cent in 2022/23 and 92 per cent in 2021/22.

Over that 3-year period the council expected to complete 222 new properties but only 57 (26 per cent) were completed. This presents a risk to the council achieving its aim to “Build homes to meet community needs” through building homes to increase the supply of new housing, including affordable housing, across the city; and to the City Plan target to build 480 new homes across all tenures annually.

## Recommendation 4

**Management should review the project to increase the supply of council housing in the city to ensure it provides a realistic timetable for completions. Alongside this it should also look to identify ways to increase the number of new properties being completed each year.**

38. The council’s Capital Plan 2024-29 was revised and approved in February 2024 in response to budgetary pressures. Budget reductions were identified to enable the reprioritisation of the existing budget in line with the strategic priorities included in the Council Plan 2022-27.

## Exhibit 9

### Main areas of slippage in the 2023/24 capital programme

Project	Slippage		Main reasons for slippage
	£m	%	
East End Community Campus	5.5	17	Weather has been the major factor causing delays for the contractor against original projections. However, the project is still forecast to be delivered on budget and within anticipated timescales.
Baldovie Development	5.0	100	Issues in identifying a suitable site have led to significant delays progressing the project. A site has now been identified and the tender should be approved during 2024/25 with works starting thereafter.
Energy efficient	7.7	90	Changes to the availability of procurement frameworks and ongoing contract negotiations have impacted expenditure for this year.
Increased supply of council housing	8.0	69	For 2023/24 the council planned to complete 82 council houses but actual completions for the year were 46. The slippage in the new build programme was mainly due to challenging sites, construction inflation, and reductions to the affordable housing budget by Scottish Government have all affected the delivery of new-build housing.
Site 6 south development	8.6	61	The tender was approved by the council in June 2023 and work has since commenced.

Source: Dundee City Council 2023/24 Annual Accounts and capital expenditure monitoring reports to City Governance Committee

## The council is reviewing the decision to close Kirkton Community Centre

39. In October 2023 the City Governance Committee approved a proposal for the closure of Kirkton Community Centre by the end of 2024, with a 'community hub' model being introduced in its place, with St Paul's and Baldragon academies being opened to the public for use as community facilities.

40. In response to this decision, two clients lodged a petition for Judicial Review with the Court of Session in January 2024. This claimed that Dundee City council had failed to carry out a formative consultation to gauge what impact the closure would have on local people with disabilities and that the decision discriminated against the petitioners as disabled service users and was therefore unlawful under the 2010 Equality Act.

41. The council has confirmed that the centre will remain open pending further consideration. The legal challenge has been placed on hold as a result.

## The council's external debt levels increased by £62 million over the last 12 months to fund increased capital expenditure

42. During 2023/24 the council's external debt levels increased by £62 million, from £681 million at 31 March 2023 to £743 million at 31 March 2024. The increase was mainly attributable to the increase of £32.3 million in the level of capital expenditure compared with 2022/23 with more shorter-term borrowing used due to the higher costs of long-term borrowing following base rate increases.

## Key financial controls operated effectively during 2023/24

43. As required by Audit Scotland's Code of Audit Practice, as part of our audit we identified and evaluated the key internal controls in the accounting systems. Our objective was to gain assurance that it has systems of recording and processing transactions which provide a sound basis for the preparation of the financial statements. We concluded that the key controls in the main financial systems were operating as specified.

## Internal audit provided reasonable assurance on the council's framework of governance, risk management and control

44. We considered internal audit's annual report, presented to the June 2024 Scrutiny Committee, as part of our review of the Annual Governance Statement included within the 2023/24 annual accounts. This disclosed internal audit's opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the council's framework of governance, risk management and control for the year to 31 March 2024.

45. Internal Audit identified 3 areas that were assessed as providing 'limited assurance': General Ledger, Adaptions for People with Disabilities, and Financial Sustainability at Leisure and Culture Dundee. Reference to these was not included in the Annual Governance Statement included in the accounts

presented for audit, but details of the issues and the council's response to these has been included in the statement in the audited accounts.

**46.** We considered internal audit's findings in these areas and concluded that these did not require us to change our planned audit approach. In particular, issues raised for the General Ledger related to documentation and timetables for reporting, and our own testing of controls over authorisation of data input were found to be operating satisfactorily.

### **Dundee City Council and Angus Council are considering a long-term arrangement to share a Chief Internal Auditor**

**47.** In October 2022 the council entered into a partnership with Angus Council to share its Chief Internal Auditor on a part-time basis, with 40 per cent of their time spent on Dundee City Council and 60 per cent of their time spent on Angus Council. This pilot arrangement commenced in October 2022 and was initially for a 12-month period.

**48.** The pilot arrangement proved effective and the councils are now considering entering into a long-term arrangement to share this resource on a 50:50 basis, with an ongoing commitment for both teams to share information, work more closely together, and undertake joint audits where practical in the future.

### **The Internal Audit Team is now at establishment level and an external contractor has been appointed to provide further support**

**49.** The Internal Audit section has been operating under capacity for a period of time, but 2 vacant posts were filled in March 2024 and this returns the team to full establishment level. Following a joint procurement exercise with Angus Council, an external contractor, Azets, was appointed in December 2023 to provide internal audit support for specific IT related audits, and general support as required.

### **Management should look to streamline the process for clearing internal audit reports to ensure recommendations are agreed and actioned within an appropriate timescale**

**50.** We reported in our 2022/23 Annual Audit Report that services were often slow to respond to draft internal audit reports which led to delays in actions to address recommendations for improvement being agreed, and the reports being issued for consideration by elected members. We also recommended that management should ensure that draft internal reports are cleared and reported in a timely manner so that recommendations for improvement can also be actioned within an appropriate timescale.

**51.** We again noted delays in the issue of internal reports during 2023/24, including a protracted process for the clearance and issue of many reports, even after services had agreed the findings and accepted the related recommendations.

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## Recommendation 5

**Management should look to streamline the process for clearing internal audit reports to ensure recommendations are agreed and actioned within an appropriate timescale.**

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### Standards of conduct and arrangements for the prevention and detection of fraud and error are appropriate

**52.** The council has a range of established procedures for preventing and detecting fraud and irregularity including a whistleblowing policy, anti-fraud strategy, anti-bribery policy and codes of conduct for councillors and officers.

**53.** The council's Corporate Fraud Team (CFT) provide reports on its activity to the Scrutiny Committee. In addition to investigative work carried out, the CFT also provides advice, guidance and support to the council's strategic services – for example delivering corporate fraud awareness training to staff – and manages the council's whistleblowing arrangements. The council also has a Corporate Integrity Group which was set up to improve the council's resilience to crime, fraud and corruption.

**54.** We assessed these arrangements to ensure that they were appropriate and that documents are readily available to staff and regularly reviewed to ensure they remain relevant and current. Overall, we concluded that the council's arrangements are appropriate.

### The council has well-established arrangements for investigating and reporting data matches identified by the NFI

**55.** The National Fraud Initiative (NFI) in Scotland is a counter-fraud exercise coordinated by Audit Scotland which aims to prevent and detect fraud. It uses computerised techniques to compare information about individuals held by different public bodies, and on different financial systems, to identify 'matches' that might suggest the existence of fraud or irregularity.

**56.** The current NFI exercise ran over 2022/23 and 2023/24 and participating bodies began to receive matches for investigation in January 2023. These matches are categorised by risk and all recommended matches, plus any further matches based on findings, should be investigated.

**57.** The council has participated in the initiative for a number of years and has well-established processes in place for investigating the data matches identified by the NFI and reporting the results to the Scrutiny Committee. Owing to capacity issues within the council's payments section, review of Creditors matches (for example, potential duplicate payments) was limited, with only high risk matches being considered. High risk matches made up 5% of total creditors matches, with 98% of high risk creditors matches being concluded. The final overall results of the NFI exercise will be reported to the Scrutiny Committee in autumn 2024. The next NFI exercise will take place for 2024/25.

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## 3. Financial sustainability

Financial Sustainability means being able to meet the needs of the present without compromising the ability of future generations to meet their own needs.

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**The council's general fund balance increased in the year due to the application of the service concession financial flexibility accounting arrangements. There is a clear plan to use the impact of this in a prudent manner.**

**The 2024/25 general fund revenue budget gap of £13.1 million, is being funded from additional Scottish Government funding and planned use of reserves. The council has also approved plans to reduce teacher numbers to achieve annual savings of around £2 million.**

**Future financial plans show a cumulative funding gap of £24 million for the period 2024-2027. The council still needs to produce a long-term financial strategy to project costs for the next 10 years and to show how resources will be targeted towards priority areas.**

**The council is to commission a review of Leisure and Culture Dundee to ensure that sustainable services can be maintained in the longer-term.**

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### **The council's general fund balance increased in the year due to the application of the service concession financial flexibility accounting arrangements**

**58.** As shown in [Exhibit 10](#) on page [28](#), the level of total usable reserves held by Dundee City Council increased by £16 million during 2023/24, from £76 million at 31 March 2023 to £92 million at 31 March 2024.

**59.** The Scottish Government introduced a series of enhanced financial flexibility arrangements to enable local authorities to vary proper accounting practice and help mitigate the financial impact of Covid-19. The council agreed to apply the flexibility permitted by [Local government finance circular 10/2022 - finance leases and service concession arrangements: statutory guidance](#) (PFI/PPP schemes) from 1 April 2023. This allows the associated debt to be repaid over the life of the asset rather than the contract period as per the previously mandated accounting practice.

**60.** The council has 3 PPP schemes: the Education Services PFI scheme, the Baldragon DBFM Project and the Waste Disposal Project. The retrospective application of financial flexibility accounting arrangements to these schemes resulted in a one-off cumulative saving of £39.8 million during 2023/24 which

has been added to usable reserves. This resulted in the general fund balance increasing by £21 million during 2023/24, from £57 million at 31 March 2023 to £78 million at 31 March 2024. The impact on the general fund balance was partly offset by the planned use of around £19 million of ear-marked reserves to support the revenue budget position during the year.

**61.** Of the total balance of usable reserves, £68 million (87 per cent) has been earmarked by the council for specific areas of future spending including: £5 million to support service change initiatives and £7 million for future budget pressures. The unallocated general fund balance at 31 March 2024 was £9.8 million and is in line with the reserves strategy.

### Exhibit 10 Dundee City Council usable reserves

Reserve	31 March 2022 (£m)	31 March 2023 (£m)	31 March 2024 (£m)
General fund – uncommitted	9.3	9.2	9.8
General fund – Service Concession flexibility	0.0	0.0	39.8
General fund – other ear-marked reserves	52.0	47.4	28.1
<b>Total General fund balance</b>	<b>61.3</b>	<b>56.6</b>	<b>77.7</b>
Repairs and renewal fund	13.2	14.8	10.8
Insurance fund	1.5	0.7	1.2
Capital grants and receipts unapplied account	1.7	1.4	0.4
Capital fund	3.6	2.7	2.2
<b>Total usable reserves</b>	<b>81.3</b>	<b>76.1</b>	<b>92.3</b>

Source: Dundee City Council Annual Accounts

### The council has a clear plan to use the impact of the service concession flexibility in a prudent manner

**62.** As noted at paragraphs [59.](#) and [60.](#) above, the council agreed to apply the service concession financial flexibility accounting arrangements from 1 April 2023 which resulted in a one-off cumulative saving of £39.8 million during 2023/24, reflecting the retrospective impact of the change in accounting treatment (i.e. the change in debt repayments that would have been made up to 1 April 2023 had the revised accounting treatment been applied to the 3 PPP schemes from the start).

**63.** In addition to the retrospective impact of the new accounting treatment, an in-year saving of £3.6 million was also achieved in scheduled debt repayments during 2023/24 due to the extended repayment period for the borrowing taken for the 3 PPP schemes. Annual debt repayment savings will also be generated each year until the service concession arrangement contracts have been repaid. However, statutory charges will then be made over the remaining lives



of the assets which would not have been required had the original accounting treatment continued to be applied as this would have resulted in the borrowing being fully repaid by the end of the contracts. Over the full lives of the service concession arrangement the total capital repayments for the debt liability remains the same under both approaches, but the council will incur greater total interest charges due to repaying the borrowing over a longer period under the new approach.

**64.** In order to ensure that the financial flexibility is being applied in a prudent, sustainable, and affordable way over the life of the assets, the council agreed to create an earmarked reserve to ensure a sustainable profile for budget-setting and long-term financial planning purposes.

**65.** It is important to note that this change in accounting treatment does not in any way affect the existing contracts or any financial arrangements with the parties operating these assets on behalf of the council. Charges will continue to be paid as per contractual obligations over the agreed contract terms which includes annual inflationary increases. Service concession assets will also continue to be included on the council's Balance Sheet.

### **The 2024/25 general fund revenue budget gap of £13.1 million is being funded from reserves and additional Scottish Government funding**

**66.** On 29 February 2024, the council approved a general fund revenue budget for 2024/25 of £464 million. To achieve a balanced budget at this level a budget gap of £13.1 million was required to be met. Measures agreed by the council to close the identified budget gap included:

- additional funding of £3.4million received from the Scottish Government to support the Council Tax freeze
- assumed funding of £2.3m from the Scottish Government to meet the increased cost of teachers pensions of £5.7 million
- release of existing inflationary pressure reserves of £6.6 million
- savings plans of £0.4 million
- extra income generated from a review of charges of £0.3 million.

### **The council approved plans to reduce teacher numbers to achieve annual savings of around £2 million**

**67.** The 2024/25 revenue budget was developed to reflect budget growth items, cost pressures and savings that had been identified through the 2023/24 revenue monitoring process, together with additional income or new cost pressures that are expected to emerge in 2024/25. As part of this process, a proposal to reduce teacher numbers by 32.7 full-time equivalent (FTE) posts was approved. This is anticipated to result in annual savings of around £2 million. The reduction is to be achieved by natural turnover and is intended to maintain teachers at the 2022 census level.

**68.** Primary and secondary teacher staffing allocations are issued to schools based on staffing formulas which is a collaborative process involving consultation with Head Teachers and led by the Primary and Secondary Staffing Review Groups. Officers will monitor and manage teaching staffing across the service to seek to ensure that whilst savings are achieved the council continues to meet its obligations including in relation to teacher numbers. Primary and Secondary Head Teachers continue to have discretion over how to utilise Pupil Equity Funding to support additional teaching and support staff within their own establishments.

### **The council approved a 3.5 per cent increase in rent levels for 2024/25 to fund the annual HRA budget of £61 million**

**69.** In January 2024 the council approved a 3.5 per cent increase in the average weekly rent levels for tenants for 2024/25. The rent level set reflected the income required to fund the annual HRA budget of £60.7 million.

**70.** The approved budget included an allowance for public sector pay increases of 3.5 per cent for 2024/25 and increased Property Costs to reflect increased inflationary pressures in providing responsive repairs and relets service and open space maintenance. Capital Financing Costs have also increased to support delivery of the HRA Capital Plan.

### **Future financial plans show a cumulative funding gap of £24 million for the period 2024-2027**

**71.** A Budget Strategy 2024/25 paper was presented to the City Governance Committee on 4 September 2023. This provided members with updated medium-term financial projections and set out a strategy to address the projected budget shortfall for 2024/25. This showed an estimated budget gap for 2024/25 of £19.5 million with a cumulative budget gap over the three years 2024-27 of £38 million.

**72.** During development of the 2024/25 revenue budget, this position was revised and as reported in the budget papers of February 2024, the projected cumulative budget gap for the period to 2027 has improved and is now predicted as £24 million. The council also provided a longer-term forecast of the budget gap up to 2034 of around £53 million, which equates to 11 per cent of the total 2024/25 revenue budget.

**73.** Actions to address the 2025/26 budget gap, and longer-term budget challenges, will be considered as part of the annual budget setting process with the intention to approve the 2025/26 general fund budget and council tax levels in February 2025.

### **The council is to commission a review of Leisure and Culture Dundee to ensure that sustainable services can be maintained in the longer term**

**74.** Leisure and Culture Dundee (LACD) is a subsidiary of the council that was established to manage the leisure and cultural facilities owned by the council

and has been in operation since 1 July 2011. The council provided an annual management fee of £9.2 million to LACD in 2023/24.

**75.** In February 2024, the City Governance Committee agreed proposals from the board of LACD to undertake consultations regarding the future of Caird Park golf course, Mills Observatory and Broughty Ferry Castle, and a review of library services to identify ways of ensuring the service delivers a sustainable model across the city for the longer term.

**76.** An internal audit report on Financial Sustainability of LACD was presented to the Scrutiny Committee in June 2024. This concluded the assurance level was 'Limited' for the following reasons:

- LACD remains in a period of transition following the Covid-19 pandemic. Services and facilities have reopened; however, visitor numbers are still stabilising, and their distribution across services and facilities has changed. This altered profile of demand is still developing, meaning that the services required, and their mode of delivery may differ now.
- The current economic landscape that the council and LACD are operating in impacts what services can be delivered for the available budget. Since the period of the pandemic the council have provided LACD an additional £4.236 million of Covid support mainly to address income shortfalls.

**77.** Internal audit made a number of recommendations for both the council and LACD to address this. Given the issues raised in the report, the Convenor of the Scrutiny Committee agreed to refer the report to the City Governance Committee for review by all members.

**78.** In August 2024, the City Governance Committee agreed to a fuller review of agreements, priorities, funding and options for leisure and culture to ensure that sustainable services can be maintained in the longer term. External support to undertake this review is to be sought and reported back to committee in due course.

### **The council still needs to produce a long-term financial strategy to project costs for the next 10 years and to show how resources will be targeted towards priority areas**

**79.** In September 2023 the council produced a medium-term financial outlook that set out the high-level implications of different levels of income, spending and activity over the next three years. This included a sensitivity analysis which shows the potential financial impact of variations against the council's current key budget assumptions (income and expenditure) which underpin the council's ten-year revenue budget projections.

**80.** We noted in our 2023/24 Annual Audit Report that the council recognised that its long-term financial strategy still needed to be updated to reflect the new Council Plan, with management highlighting that this would need to reflect the uncertainty associated with single year budget settlements and the financial challenges set out by the Scottish Government in its Medium-Term Financial Strategy.

**81.** The council still needs to produce a long-term financial strategy to project costs for the next 10 years and to show how resources will be targeted towards priority areas. However, management has advised that this will be done during 2024/25 and it will also look to develop long-term revenue projections once there is sufficient certainty over levels of local government funding beyond the current year.

### **The Capital Plan sets out a £388 million programme of expenditure to help deliver the key priorities in the Council Plan**

**82.** The council prepares a 5-year Capital Plan which is revised and updated annually. The Capital Plan 2024-29 was approved in February 2024. Due to reducing resources available, the council has decided that, from 2027/28, no new borrowing can be incurred unless revenue budget is identified to meet the resulting capital financing costs. Following detailed review by officers, savings of £3.8 million were identified in areas that would have the least impact on core services to ensure a balanced budget for general fund projects could be delivered.

**83.** The approved capital programme for 2024/25 to 2028/29 totals £388 million, split between £255 million of general fund projects and £133 million of housing revenue account projects, with expenditure of £162 million (£136 million general fund projects and £26 million HRA projects) scheduled for 2024/25. It identifies projects that contribute to the 5 key priorities in the Council Plan 2022-27 as shown below:

- £99 million on general fund projects to “Reduce child poverty and inequalities in income, education and health”, with £72 million of this spend on the East End Community Campus and £21m on the Western Gateway project.
- £114 million on projects to “Build resilient and empowered communities”, which includes £13 million on roads and £22 million to increase the supply of council housing.
- £88 million on projects to “Tackle climate change and reach Net Zero carbon emissions by 2045”, including £44m to improve energy efficiency in the HRA housing stock.
- £58 million on general fund projects to “Design a modern council”.
- £29 million on general fund projects to “Deliver inclusive economic growth (including Community Wealth Building)”.

### **The council has identified that RAAC is present in roof structures in 2 schools and a number of council owned dwellings, but this is in an acceptable condition and can be managed or remediated as part of a planned strategy**

**84.** Reinforced autoclaved aerated concrete (RAAC) is a lightweight construction material that was used in the construction of some public buildings

like schools and hospitals between the 1950s and 1990s. It was used mostly in flat roofing, but also in some pitched roofs, floors and walls.

**85.** The council had previously identified the use of RAAC in the roof structure of two school buildings: St Fergus Primary School and Ardler Primary School. These roofs have been, and continue to be, inspected regularly by experts. The RAAC at each school is described as being in good condition currently with no structural issues apparent. Specialist inspectors are therefore satisfied that both schools can safely operate as normal. Detailed inspections of the roof areas will continue to be carried out at least every six months in line with national guidelines.

**86.** During 2023/24, the council undertook a survey of its full portfolio of domestic properties. This identified 79 blocks of flats with council tenants and 162 cottages with council tenants that contained RAAC. From this the council also identified a further 2 blocks of flats and 131 cottages, all fully owner occupied, which also contain RAAC. The survey concluded that in general terms, across the portfolio, RAAC is in an acceptable condition and can be managed or remediated as part of a planned strategy. The surveys undertaken do not highlight any current need for wholesale decants. A report is currently being prepared by the City Engineer, outlining recommendations for short-term and long-term actions, including remediation options.

### **The council is still evaluating a collective equal pay claim received in February 2021**

**87.** In February 2021, the trade unions submitted a collective equal pay claim on behalf of their members under the Equality Act 2010. The claim is for the full 5 year back-pay period and / or from their date of employment, if such a date is less than 5 years ago. The claimants are employed in predominantly female jobs groups (and / or groups of which the proportion of female workers is far greater than that in the comparator groups). Around 500 claims are presently being considered by the Employment Tribunal and the timescale for concluding these cases remains uncertain. At this stage, it is not possible to quantify the council's financial liability, if any.

**88.** While it is not possible to establish at this stage whether any cash outflow will result from the equal pay claim, this presents a potential liability to the council for future years. A contingent liability has therefore been disclosed in the 2023/24 annual accounts to reflect this.

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## 4. Best Value

Councils have a statutory duty to make arrangements to secure continuous improvement in the performance of their functions.

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**The Accounts Commission noted the council's clear and effective leadership and commitment to community empowerment and engagement, and was assured that action is being taken in response to long standing issues such as educational attainment and drug deaths.**

**Our Best Value thematic review of workforce innovation confirmed that the council has a workforce plan to support the delivery of its strategic objectives but it needs to ensure this aligns with its service plans and digital strategy.**

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**The Accounts Commission noted the council's clear and effective leadership and commitment to community empowerment and engagement, and was assured that action is being taken in response to long standing issues such as educational attainment and drug deaths**

**89.** Councils have a statutory duty to make arrangements to secure continuous improvement in the performance of their functions. Expectations are laid out in the [Best Value Revised Statutory Guidance 2020](#).

**90.** As set out in the [Code of Audit Practice](#), Best Value audit is integrated within our annual audit work and will be assessed comprehensively over the period of the audit appointment. This will include an annual evaluation of the council's approach to demonstrating improvement in its services and public performance reporting. We will also follow up findings reported previously on Best Value to assess the pace and depth of improvement.

**91.** As part of the new reporting arrangements, the Controller of Audit will also report to the Accounts Commission on a council's performance in meeting its Best Value duties at least once every five years.

**92.** The Controller of Audit reported on Dundee City Council to the Accounts Commission in November 2023. The Commission commended the council for the progress it had made since the [Best Value Assurance Report \(September 2020\)](#). It also noted the clear and effective leadership and commitment to community empowerment and engagement and was assured that the council is taking action in response to long standing issues such as educational attainment and drug deaths.

## **Officers and elected members should continue to work together to provide effective leadership for the council and to address the challenges faced by the city**

**93.** Our [Best Value thematic review of Leadership in the development of the council's strategic priorities](#) published in April 2023 concluded that the Chief Executive and leadership team had worked together with elected members to provide effective leadership for the council over the last 3 years. The report also highlighted that there is a good degree of cooperation and consensus between members on the vision and priorities for the council and the city, and members continue to have a clear focus on working in the interests of the residents of Dundee.

**94.** John Alexander announced on 9 August that he would be stepping down as a local councillor on 29 August following 7 years as the Leader of Dundee City Council. Councillor Mark Flynn has been appointed as the new Leader of the Council and it will be important that officers and elected members continue to work together to provide effective leadership for the council and to address the challenges faced by the city.

## **For 2023/24 the Accounts Commission directed auditors to conduct a Best Value thematic review of workforce innovation and how councils are responding to workforce challenges**

**95.** For 2023/24 the Accounts Commission directed auditors to conduct a Best Value thematic review of workforce innovation and how councils are responding to workforce challenges through building capacity, increasing productivity and innovation. In carrying out the thematic work auditors considered the following questions:

- How effectively are the council's workforce plans integrated with its strategic plans and priorities?
- How effectively has digital technology been used to support workforce productivity and improve service quality and outcomes?
- How effectively is the council using hybrid and remote working and other innovative working practices such as a four-day week to achieve service and staff benefits?
- What innovative practice is the council using to develop its future workforce capacity and skills needs and manage staff reductions in line with its priorities?
- What progress has the council made with sharing roles or functions across its services and/or with other councils and partners?
- How effectively is the council measuring the impact of its workforce planning approach?

## **Our review confirmed that the council has a workforce plan to support the delivery of its strategic objectives but it needs to ensure this aligns with its service plans and digital strategy**

96. We issued our report on the *Best Value Thematic Review 2023/24: Workforce Innovation – How councils are responding to workforce challenges* to the Council in August 2024, and it was considered by the Scrutiny Committee at the meeting on 25 September 2024. The key messages in the report highlighted the following:

- (1) The Strategic Workforce Plan 2023-28 sets out the council's approach to ensuring it has a skilled, flexible, high performing, motivated and well-managed workforce. Detailed service-level workforce data is provided to services to assist with workforce planning. However, better alignment is required between the Strategic Workforce Plan 2023-28 and service plans to ensure service level workforce actions are supporting the delivery of the council's strategic priorities.
- (2) The council should continue to engage with Trade Unions and other consultative staff forums and use the information gathered through these discussions, and the results of the staff survey, to monitor the impact of service changes.
- (3) The Digital Strategy 2023-27 sets out how the council aims to maximise the potential of digital technologies to improve outcomes and services for its citizens and employees. However, the projected impact of the greater use of digital technology on the council's future workforce requirements is not yet fully considered and embedded within service plans.
- (4) Although the digital strategy 2023-27 was approved in May 2023, the Digital Leadership Board, responsible for leading on the delivery of the strategy, is still being set up.
- (5) The council has implemented hybrid working, categorising staff across six different workstyles, and the latest employee survey results suggest that staff are generally positive about hybrid working. The council is currently reviewing its hybrid working policy and senior management has identified a number of workforce benefits of hybrid working.
- (6) The workforce planning and talent management action plan is designed to support the council to deliver its key workforce planning priorities over the next 5 years. Recruiting and developing more young people offers one route to the council expanding its overall workforce capacity.
- (7) Joint working with other bodies has delivered workforce benefits for Dundee City Council. The council should continue to explore opportunities to work together with partners to utilise staff resources more efficiently or effectively in the future.
- (8) The council needs to develop smart measures and targets to monitor and report on progress against the Strategic Workforce Plan 2023-28. This should include reporting to elected members on the delivery of workforce priorities at both a corporate and service level.



**97.** The report also included seven recommendations for improvement which are replicated in [Appendix 1](#) of this report along with the council's planned response, responsible officers and dates for implementation. We will report on the council's progress in implementing these actions as part of our 2024/25 audit.

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## 5. Vision, leadership, governance and use of resources

Public sector bodies must have a clear vision and strategy and set priorities for improvement. Through effective planning, they work with partners and communities to improve outcomes, make best use of resources and foster a culture of innovation.

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**The council has an established performance framework which aligns with the Council Plan. Progress against the Council Plan priority areas is generally positive with 64 per cent of the performance indicators within 5 per cent of the target identified in the plan.**

**The council was in the top half of its family group for 49 per cent of the Local Government Benchmarking Framework indicators for 2022/23, a slight decrease from the prior year. Performance compared to other councils has remained similar over the last 5 years, with educational attainment measures generally remaining in the bottom quartile.**

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### **In June 2023 the council revised its committee structure to better reflect the needs and priorities of the city**

**98.** At the meeting of the Policy and Resources committee on 26 June 2023, the council approved a proposal from the Leader of the Council to introduce a new committee structure to better reflect the needs and priorities of the city. The new structure consists of a City Governance Committee and four strategic service area committees:

- Children, Families and Communities Committee
- Climate, Environment and Biodiversity Committee
- Fair Work, Economic Growth and Infrastructure Committee
- Neighbourhood Regeneration, Housing and Estate Management Committee.

**99.** The powers and responsibilities of the new committees were approved at the meeting of the Recess Sub-Committee on 10 July. No changes were made

to the remits of the existing Planning Committee, Scrutiny Committee or Licensing Committee.

**100.** As with the previous committee structure, all 29 councillors sit on all committees, other than the Scrutiny and Licensing committees. The strategic service area and City Governance committee meetings are generally held the same day, and are preceded by a meeting of the full council, with the conveners and depute conveners switching over between each committee meeting. Based on our observation of meetings, and discussions with members and officers, we believe these meeting arrangements continue to work well for the council.

### **The council had appropriate and effective governance arrangements in place during 2023/24**

**101.** We have reviewed and monitored the operation of the governance arrangements during the course of the year and concluded that they are effective and support good governance and transparency.

**102.** All meetings of the full council and other committees were held remotely via Microsoft Teams throughout 2023/24. However, we have not noted any adverse impact on the level of scrutiny due to these meetings being held remotely.

### **The council is open and transparent**

**103.** There is evidence from several sources which demonstrate the council's commitment to openness and transparency:

- Members of the public can attend the virtual meetings of the full council and other committees. Recordings of these meetings, and the minutes and supporting papers, are also available on the council's website.
- The council's website allows the public access to a wide range of information including the register of councillors' interests, current consultations and surveys and service performance data. In addition, the home page provides updates on recent developments and links to useful information, including how to access cost of living support and advice.
- The council makes its annual accounts available on its website. These include a management commentary which adequately explains the council's financial performance for the year.

### **An independent investigation into the closure of the Olympia Centre is to be carried out**

**104.** The Olympia Centre and Swimming Pool is owned by the council and managed and operated by Leisure and Culture Dundee. The centre was closed between 2021 and 2023 to allow extensive maintenance and refurbishment works to be undertaken, the cost of which amounted to £6.1 million. The centre was then closed again between March and May 2024 due to issues with the flumes structure.

**105.** In April 2024, the City Governance Committee agreed that an independent investigation into the closure of the Olympia Centre should be carried out with a view to identifying the key issues that led to the further closure and providing clear actions for the future. The council is currently in the process of identifying a reviewer with the relevant knowledge and experience to conduct this review.

### **A Joint Inspection of Adult Support and Protection in Dundee concluded that the partnership's key processes for adult support and protection were effective but with areas for improvement**

**106.** A Joint Inspection of Adult Support and Protection in Dundee was undertaken during 2023. The Care Inspectorate lead the inspection in collaboration with Healthcare Improvement Scotland and His Majesty's Inspectorate of Constabulary in Scotland and focussed on two key questions:

- (1) How good were the partnership's key processes for adult support and protection?
- (2) How good was the partnership's strategic leadership for adult support and protection?

**107.** The inspection methodology included five scrutiny activities:

- The analysis of supporting documentary evidence and a position statement submitted by the partnership.
- The scrutiny of social work records of adults at risk of harm.
- The scrutiny of the health, police, and social work records of adults of risk of harm.
- A survey of staff from across the partnership including health and social work staff, the police and staff from provider organisations.
- Staff focus groups with members of staff from across the partnership to discuss adult support and protection practice and adults at risk of harm.

**108.** The findings of the inspection were published in December 2023: [Joint Inspection of Adult Support and Protection: Dundee Partnership](#). This concluded that the partnership's key processes for adult support and protection were effective with areas for improvement. It noted that there were clear strengths supporting positive experiences and outcomes for adults at risk of harm, which collectively outweighed the areas for improvement.

### **The council has an established performance framework which aligns with the Council Plan**

**109.** The [Best Value: Revised Statutory Guidance 2020](#) sets out that councils should be able to demonstrate a trend of improvement over time in delivering its strategic priorities. The guidance also sets out that performance management

arrangements should be in place to promote the effective use of the local authority's resource, which includes effective performance reporting.

**110.** As we reported last year, the Council Plan clearly sets out the key actions to be taken in response to each priority and provides KPIs with 1, 3 and 10-year targets that the council has committed to achieve. Each action has a lead service area that will take responsibility for delivering the action.

**111.** The council has established a clear reporting framework which aligns to the Council Plan and its priorities. There are 22 overall priority indicators in the plan, with a focus which is appropriate to the size of the council and the key challenges it faces.

**Progress against the Council Plan priority areas is generally positive with 64 per cent of the performance indicators within 5 per cent of the target identified in the plan**

**112.** The council publishes performance information showing progress against the 22 indicators included in the Council Plan every 6 months. A mid-year progress report was presented to the City Governance Committee in December 2023 and the council's Annual Performance Report 2023/24 was published in June 2024. These reports are very clear and present a fair and balanced assessment of performance.

**113.** As shown in [Exhibit 11](#), performance against the Council Plan is generally positive with 12 (77 per cent) of measures showing improvement on the previous year and 14 (64 per cent) within 5 per cent of the target identified in the plan. Least progress has been achieved against the priority theme to "Reduce Child Poverty and inequalities in incomes, education, and health".

**114.** Areas where the council is performing well compared to the benchmark include the 'Proportion of Scottish Welfare Fund budget spent' and the 'Percentage of Council Dwelling meeting Scottish Housing Standards'. Areas where the council is performing less well include the 'Percentage of pupils living in the 20 per cent most deprived areas gaining 5+ awards at Level 6' and the 'Percentage of total household waste that is recycled'.

## Exhibit 11

### Progress against the Council Plan priority areas is generally positive

Council Plan Priority	Within 5% of target	Improved over previous year	Total Indicators
Reduce Child Poverty and inequalities in incomes, education, and health.	3 (50%)	4 (67%)	6
Create Inclusive Economic Growth including Community Wealth Building	4 (100%)	3 (75%)	4
Tackle Climate Change and achieve net zero carbon emissions by 2045	2 (50%)	3 (75%)	4
Build Resilient and Empowered Communities	3 (60%)	4 (80%)	5
Design a Modern Council	2 (67%)	3 (100%)	3
<b>Total</b>	<b>14 (64%)</b>	<b>17 (77%)</b>	<b>22</b>

Source: Dundee City Council Annual Performance Report 2023/24 (June 2024)

### The council was in the top half of its family group for 49 per cent of the Local Government Benchmarking Framework indicators for 2022/23, a slight decrease from the prior year

**115.** In addition to the annual performance report, the council also prepares an annual performance benchmarking report based on the Local Government Benchmarking Framework (LGBF) data which enables comparison between Scottish councils. The latest benchmarking report was presented to the City Governance Committee in June 2024 and was based on 2022/23 performance. The report included comparison with the family group median for 8 councils (including Dundee), for 39 indicators that are “most closely aligned with the Council Plan priorities”. This found that Dundee City Council rates in the top half of its family group for 19 out of 39 Indicators (49 per cent). This is a slight decrease from the prior year when the council reported that it was in the top half of 19 out of 36 indicators (53 per cent).

**116.** The council is performing best against the priority theme “Create Inclusive Economic Growth including Community Wealth Building” with 70 per cent of indicators in the top half, and worst in the “Build Resilient and Empowered Communities” where only 25 per cent of indicators are in the top half.

### Performance compared to other councils has remained similar over the last 5 years, with educational attainment measures generally remaining in the bottom quartile

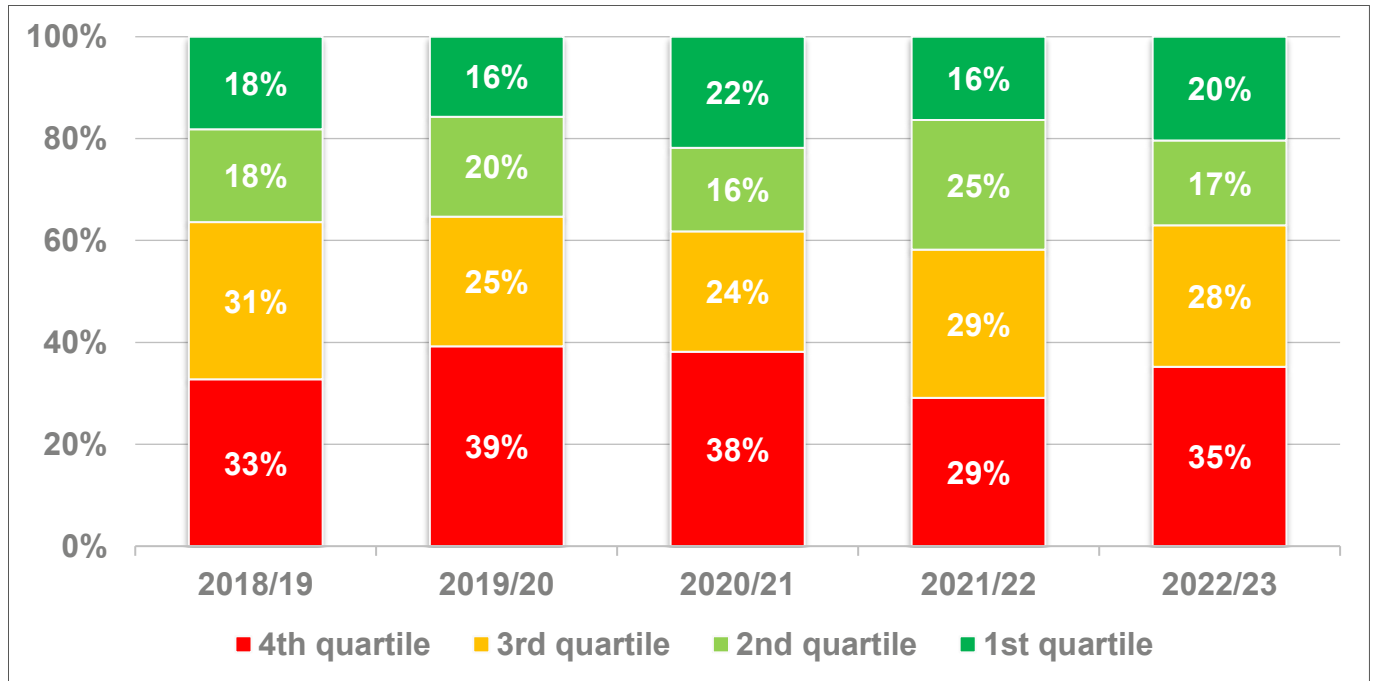
**117.** We reviewed the 54 LGBF outcomes based indicators to compare the council’s performance over a 5 year period in comparison with the other 31 Scottish councils. As shown in [Exhibit 12](#), after a slight improvement in

performance in 2021/22, the council has fallen back in 2022/23 with only 37 per cent of indicators in the top 2 quartiles. The council's comparative performance is now back to similar levels to 2018/19.

## Exhibit 12

### LGBF data comparison across all 32 Scottish councils

Performance compared to other councils has remained similar over the last 5 years



Source: Audit Scotland analysis of LGBF data available at August 2024

**118.** There have been some significant changes over the 5 years in relative performance against individual indicators. Areas where the council's ranking has moved up include:

- **Children's Services Indicator 11:** Proportion of Pupils Entering Positive Destinations. The council has improved 10 places since 2018/19 and is now the 14th ranked council in Scotland.
- **Children's Services Indicator 22:** Percentage of child protection re-registrations within 18 months. This has improved by 22 places, with the council now the highest ranked.
- **Corporate Indicator 6a:** Sickness absence days per teacher has improved by 18 places.

**119.** Areas where the council's ranking has moved down include:

- **Children's Services Indicator 23:** Percentage of Looked After Children with more than 1 placement in the last year (August-July). The council has fallen from Quartile 1 to Quartile 4.
- **Environmental Services Indicator 3c:** The Street Cleanliness Score has declined and the council is now in the bottom quartile.

- **Housing Services Indicator 1b:** Gross rent arrears (all tenants) as at 31 March each year as a percentage of rent due for the reporting year. The council has fallen by 8 places.

**120.** We also noted that of the 17 Education Attainment LGBF measures, the council has improved in 7 of these over the 5 year period, with a further 8 indicators remaining broadly the same. Despite this, the council remains in the bottom 2 quartiles for 11 of the 17 indicators. However, the council performs in the top half for both Literacy and Numeracy Attainment Gaps (Children’s Services Indicators 14a and 14b).

### **The council demonstrates good compliance with the SPI direction**

**121.** The Accounts Commission issued a new [Statutory Performance Information Direction](#) in December 2021 which applies for the three years from 2022/23. It requires a council to report its:

- performance in improving local public services (including those provided with its partners and communities), and progress against agreed desired outcomes (SPI 1). The Commission expects this reporting to allow comparison both over time and with other similar bodies (drawing on Local Government Benchmarking Framework and/or other benchmarking activities)
- own assessment and audit, scrutiny and inspection body assessments of how it is performing against its duty of Best Value and how it has responded to these assessments (SPI 2).

**122.** As detailed within this section of the report, the council has demonstrated good compliance with the SPI direction, with clear and focused improvement targets based on council priorities and clear and balanced reporting of performance with easily accessible reports on its website. The assessments cover the whole of the council and provide an overall view of strengths and weaknesses.

**123.** The comparisons include trend information and comparisons to other councils, including reporting of performance and key priorities of the council against its family group. The Improvement Service website provides further data analysis for any interested users and a direct link to the [My Local Council LGBF data](#) is provided via the Dundee Performs section of the council website.



# Appendix 1. Action plan

## 2023/24 recommendations

Issue/risk	Recommendation	Agreed management action/timing
<p><b>1. Disclosure and classification errors in accounts presented for audit</b></p> <p>Our audit identified a number of disclosure and classification errors in the notes to the financial statements that had to be corrected in the audited accounts. These included errors and inconsistencies in the group statements.</p> <p><b>Risk:</b> The notes to the financial statements do not agree to the corresponding figures in the primary statements, or accurately reflect the underlying information.</p>	<p>Management should undertake a detailed check of the annual accounts prior to them being presented for audit.</p> <p><a href="#">Point 2 in Exhibit 3</a></p>	<p>Agreed</p> <p><b>Responsible officer:</b> Service Manager – Accounting Strategy</p> <p><b>Agreed date:</b> June 2025</p>
<p><b>2. Grant income unspent at year end</b></p> <p>We identified unspent grant income which had not been correctly accounted for in the unaudited accounts.</p> <p><b>Risk:</b> Grant income received during the year is not correctly accounted for in the annual accounts resulting in income being understated.</p>	<p>Management should review all unspent grant income at the year end to ensure it is correctly accounted for in the annual accounts.</p>	<p>Agreed</p> <p><b>Responsible officer:</b> Service Manager – Accounting Strategy</p> <p><b>Agreed date:</b> June 2025</p>
<p><b>3. Remuneration report - Trade Union (Facility Time Publication Requirements) Regulations 2017 disclosures</b></p> <p>The regulations require a range of information in relation to the time and costs of employee involvement in trade union activity to be published by the council each year.</p> <p>These disclosures have been required since 2020/21 but the council does not yet have processes in place to collate current year data, or information on the time spent on paid trade union activities, for publication in the annual accounts each year.</p> <p><b>Risk:</b> The time and costs associated with staff involvement in trade union activity is not reported.</p>	<p>Management should put arrangements in place to ensure the required information is collated and disclosed in the remuneration report in the 2024/25 annual accounts.</p> <p><a href="#">Point 8 in Exhibit 3</a></p>	<p>Agreed</p> <p><b>Responsible officer:</b> Head of People</p> <p><b>Agreed date:</b> June 2025</p>

Issue/risk	Recommendation	Agreed management action/timing
<p><b>4. Council house completions</b></p> <p>Between 2021/22 to 2023/24 the council expected to complete 222 new properties but only 57 (26 per cent) of those were actually completed.</p> <p><b>Risk:</b> This presents a risk to the council achieving its aim to “Build homes to meet community needs” and to the City Plan target to build 480 new homes across all tenures annually.</p>	<p>Management should review the project to increase the supply of council housing in the city to ensure it provides a realistic timetable for completions. Alongside this it should also look to identify ways to increase the number of new properties being completed each year.</p> <p><a href="#">Paragraph 37.</a></p>	<p>Agreed</p> <p><b>Responsible officer:</b> Executive Director of Neighbourhood Services</p> <p><b>Agreed date:</b> March 2025</p>
<p><b>5. Clearance of internal audit reports</b></p> <p>We reported in our 2022/23 Annual Audit Report that services were often slow to respond to draft internal audit reports and we again noted delays in the issue of internal reports during 2023/24, including a protracted process for the clearance and issue of many reports.</p> <p><b>Risk:</b> This presents a risk to the adequacy and effectiveness of the council’s framework of governance, risk management and control.</p>	<p>Management should look to streamline the process for clearing internal audit reports to ensure recommendations are agreed and actioned within an appropriate timescale.</p> <p><a href="#">Paragraphs 50. and 51.</a></p>	<p>Agreed</p> <p><b>Responsible officer:</b> Executive Director of Corporate Services</p> <p><b>Agreed date:</b> March 2025</p>

## Recommendations from Best Value Thematic Review 2023/24

Issue/risk	Recommendation	Agreed management action/timing
<p><b>BV1. Alignment of Strategic Workforce Plan 2023-28 and service plans</b></p> <p>Each of the council’s service plans links to the Council Plan and includes workforce planning actions. However, these are set out in different ways and in differing levels of detail in each service plan, so there is no consistent or direct read across between the action plan in the Strategic Workforce Plan 2023-28 and the workforce actions identified in the service plans.</p> <p><b>Risk: Workforce planning arrangements across services do not support the delivery of the Strategic Workforce Plan 2023-28, and the council’s strategic priorities.</b></p>	<p>The council should review workforce planning arrangements across services to ensure these support the delivery of the Strategic Workforce Plan 2023-28, and the council’s strategic priorities.</p>	<p>Workforce planning arrangements will be reviewed and a consistent approach adopted across service plans.</p> <p><b>Responsible officer:</b> Head of People</p> <p><b>Agreed date:</b> March 2025</p>
<p><b>BV2. Impact of greater use of digital technology</b></p> <p>The impact of the greater use of digital technology on the council’s future workforce requirements is not yet fully considered and embedded within the Strategic Workforce Plan 2023-28 and service plans.</p> <p><b>Risk: Service plans do not accurately reflect the projected impact of the greater use of digital technology on the council’s future workforce requirements.</b></p>	<p>The council should review service plans to ensure they reflect the projected impact of the greater use of digital technology on the council’s future workforce requirements.</p>	<p>Agreed</p> <p><b>Responsible officer:</b> Head of Digital and Customer Services</p> <p><b>Agreed date:</b> March 2025</p>

Issue/risk	Recommendation	Agreed management action/timing
<p><b>BV3. Establishment of Digital Leadership Board</b></p> <p>The Digital Leadership Board, responsible for leading on the delivery of the digital strategy, is still being set up.</p> <p><b>Risk: There is a lack of oversight, governance and direction for the delivery of the digital strategy.</b></p>	<p>The council should establish the Digital Leadership Board as a matter of priority to ensure there is appropriate oversight, governance and direction for the delivery of the digital strategy.</p>	<p>Agreed</p> <p><b>Responsible officer:</b> Head of Digital and Community Services</p> <p><b>Agreed date:</b> September 2024</p>
<p><b>BV4. Digital skills survey</b></p> <p>The council has not undertaken a digital skills survey since 2018.</p> <p><b>Risk: The council lacks up-to-date information to inform the development of its digital skills plan.</b></p>	<p>The council should complete a digital skills survey to assess the current digital capabilities of its workforce and to identify areas for additional training and development.</p>	<p>Agreed</p> <p><b>Responsible officer:</b> Head of People</p> <p><b>Agreed date:</b> March 2025</p>
<p><b>BV5. Reliance on casual workers</b></p> <p>Over 7 per cent of the council's staff are employed as casual workers.</p> <p><b>Risk: The council's current reliance on casual workers may present business continuity risks for services.</b></p>	<p>The council needs to review its use of casual workers to ensure this does not present a business continuity risk for the organisation.</p>	<p>The Council will review its use of casual workers and consider whether policies and practices should be reviewed.</p> <p><b>Responsible officer:</b> Head of People</p> <p><b>Agreed date:</b> March 2025</p>
<p><b>BV6. Joint working with partners</b></p> <p>The council has embraced joint workforce arrangements with other bodies in a range of areas. However, there may be further opportunities for the council to work with other partners to tackle shared workforce challenges in the future.</p> <p><b>Risk: The council may not be utilising its staff</b></p>	<p>The council should look to identify further opportunities to work together with partners to tackle shared workforce challenges in the future.</p>	<p>The Council will continue to explore opportunities for partnership working.</p> <p><b>Responsible officer:</b> Head of People</p> <p><b>Agreed date:</b> March 2025</p>

Issue/risk	Recommendation	Agreed management action/timing
<p>resources as efficiently and effectively as possible.</p>		
<p><b>BV7. Measuring the impact of workforce planning</b></p> <p>The council has still to develop smart measures and targets to monitor and report on progress against the Strategic Workforce Plan 2023-28.</p> <p><b>Risk: Workforce planning arrangements may not be supporting the delivery of the strategic priorities in within the Council Plan.</b></p>	<p>The council needs to develop smart measures and targets to monitor and report on progress against the Strategic Workforce Plan 2023-28. This should include reporting to elected members on the delivery of workforce priorities.</p>	<p>The council will develop appropriate reporting for both Elected Members and the Corporate Leadership Team.</p> <p><b>Responsible officer:</b> Head of People</p> <p><b>Agreed date:</b> March 2025</p>

## Follow-up of prior year recommendations

Recommendation	Agreed management action / timing	Progress
<b>2022/23 recommendations</b>		
<p><b>PY1. Non-current asset valuations</b></p> <p>We recommended that the council reviews its approach to the rolling programme of asset valuations and embeds a process to consider the current valuation of assets not subject to a full valuation process at each year end.</p>	<p>Officers will review arrangements for asset valuations and those not included in the rolling programme to provide a robust position for the 2023/24 accounts.</p> <p><b>Responsible officer:</b> Head of Corporate Finance</p> <p><b>Agreed date:</b> April 2024</p>	<p><b>Complete.</b></p> <p>The council have undertaken an Indexation exercise to identify any significant movement in valuation of DRC Assets.</p>
<p><b>PY2. Delivery of capital plan</b></p> <p>Management should continue to monitor the affordability and deliverability of the 5-year capital plan and clearly report to members on emerging overspends, or slippage against key milestones and completion dates.</p>	<p>The Capital Governance Group will scrutinise the Capital Plan ahead of the 2024-29 revision, with a focus on deliverability.</p> <p><b>Responsible officer:</b> Executive Director of Corporate Services</p> <p><b>Agreed date:</b> March 2024</p>	<p><b>Complete</b></p> <p>The council's Capital Plan 2024-29 was revised and approved in February 2024 in response to budgetary pressures. Budget reductions were identified to enable the reprioritisation of the existing budget in line with the strategic priorities included in the Council Plan 2022-27.</p>
<p><b>PY3. Procedures for updating PPP/DBFM/SCA financial models</b></p> <p>Management should evidence the control check on annual unitary charge increases, to ensure these are in line with the contract terms and prepare procedural instructions for updating each financial model annually to reflect actual payments and interest rate assumptions.</p>	<p>Appropriate documentation and evidence will be implemented.</p> <p><b>Responsible officer:</b> Head of Corporate Finance</p> <p><b>Agreed date:</b> March 2024</p>	<p><b>Complete</b></p> <p>Revised procedures have been prepared for use by officers.</p>

Recommendation	Agreed management action / timing	Progress
<p><b>PY4. Clearance of internal audit reports</b></p> <p>Management should ensure that draft internal reports are cleared and reported in a timely manner so that recommendations for improvement can also be actioned within an appropriate timescale.</p>	<p>Internal Audit progress will be monitored through the Risk and Assurance Board and if necessary escalated to the Council Leadership Team.</p> <p><b>Responsible officer:</b> Executive Director of Corporate Services</p> <p><b>Agreed date:</b> November 2023</p>	<p><b>Ongoing</b></p> <p>We again noted delays in the issue of internal reports during 2023/24, including a protracted process for the clearance and issue of many reports, even after services had agreed the findings and accepted the related recommendations.</p> <p><b>See Recommendation 5 above</b></p>

**Recommendations from Best Value Thematic Review 2022/23**

<p><b>PY-BV1. Community asset transfers</b></p> <p>The council should establish what else can be done to encourage and support community groups to manage and own facilities and deliver against its aim to increase community ownership of council-owned assets.</p>	<p>Replace the current asset transfer scheme with a community land and asset strategy as part of Community Wealth Building – Land and property pillar. This will simplify the process and expand the range of options open to community groups to manage and own facilities.</p> <p><b>Responsible officer:</b> Community Learning and Development Manager</p> <p><b>Agreed date:</b> March 2024</p>	<p><b>Ongoing</b></p> <p>This work has been embedded in the Land and Asset Pillar of Community Wealth Building. Officers are now working through the detail of a process to increase the speed and transparency of decision making. A trial “quick win” process has resulted in two recommendations for asset transfer during a period of months as opposed to zero transfers in the previous three years.</p>
<p><b>PY- BV2. Participatory budgeting</b></p> <p>The council should identify further areas where participatory budgeting can be used effectively to allocate resources based on the priorities of local residents.</p>	<p>Council leadership team to review current position by October 2023 and consider further options to embed participatory budgeting in mainstream budgets based on local needs.</p> <p><b>Responsible officer:</b> Executive Director of Corporate Services and Service Manager – Communities</p> <p><b>Agreed date:</b> March 2024</p>	<p><b>Complete</b></p> <p>The council is using a number of methods for engaging with residents to ensure there is widespread citizen involvement in setting priorities across all service areas and influencing decisions on spend. These methods of engagement include online, face to face, focus groups and workshops, as well as large scale</p>

Recommendation	Agreed management action / timing	Progress
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community consultations. Recent areas of note include:

- Community involvement in the allocation of the Community Regeneration Fund. This process is testing the use of the digital platform Consult to support wider citizen involvement.
- Decisions on key areas such as the city centre and streets around schools, as well as a wide programme of community involvement and influence around environmental and green space.
- The Drugs and Alcohol partnership tested the allocation of a devolved locality budget to each of the 8-ward based Local Community Planning Partnerships to look at community led and influenced spend.
- Dundee’s Voice is developing into one of the main channels for open dialogue with citizens and community involvement that will influence and shape what developments in Dundee.
- The Dundee Climate Fund 3.0 is now open for applications and awards will be made to successful projects after citizens cast their votes in Dundee’s Voice.



Recommendation	Agreed management action / timing	Progress
<p><b>PY-BV3. Long-Term Financial Strategy</b></p> <p>The council's Long-Term Financial Strategy needs to be updated to show how resources will be targeted towards priority areas over the next 10 years.</p>	<p>The Long-Term Financial Strategy will be updated to reflect new Council Plan priorities.</p> <p><b>Responsible officer:</b> Executive Director of Corporate Services</p> <p><b>Agreed date:</b> March 2024</p>	<p><b>Ongoing</b></p> <p>The council still needs to produce a long-term financial strategy to project costs for the next 10 years and to show how resources will be targeted towards priority areas. However, management has advised that this will be done during 2024/25 and it will also look to develop long-term revenue projections once there is sufficient certainty over levels of local government funding beyond the current year.</p> <p><a href="#">Paragraphs 79. to 81.</a></p>

**Follow-up of prior year recommendations for the section 106 Charitable Trusts financial statements**

Recommendation	Agreed management action / timing	Progress
<p><b>PY-C1. Future of Dundee Trust (Carried forward from 2020/21)</b></p> <p>The trustees of the Dundee Trust should consider the future of the trust and make a decision as to how this will be used going forward. This would include consideration of whether steps should now be taken, in coordination with the Office of the Scottish Charity Regulator, to wind it up.</p>	<p>This will be reviewed as part of next year's account preparation process.</p> <p><b>Responsible officer:</b> Executive Director of Corporate Services</p> <p><b>Agreed date:</b> March 2024</p>	<p><b>Complete</b></p> <p>The Office of the Scottish Charity Regulator (OSCR) removed the Dundee Trust from its list of Scottish Charities as of 24 April 2024. Dundee Trust has now been wound up and the 2023/24 Annual Accounts will be the last accounts produced for the trust.</p> <p><a href="#">Exhibit 7</a></p>

# Appendix 2. Summary of uncorrected misstatements

**We report all uncorrected misstatements in the annual accounts that are individually greater than our reporting threshold of £500,000.**

The table below summarises uncorrected misstatements that were noted during our audit testing and were not corrected in the financial statements.

Cumulatively these errors are below our performance materiality level as shown in [Exhibit 1](#). We are satisfied that these errors do not have a material impact on the financial statements.

Nature of misstatement	Transactions / balances impacted	Comprehensive Income and Expenditure Statement		Balance Sheet	
		Debit £000	Credit £000	Debit £000	Credit £000
Unspent grant income incorrectly treated as a short term creditor rather than income	Net Cost of Services		2,753		
	Short Term Creditors			2,753	

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# Dundee City Council

## 2023/24 Annual Audit Report

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**REPORT TO: SCRUTINY COMMITTEE – 25 SEPTEMBER 2024**

**REPORT ON: RESPONSE TO EXTERNAL AUDITOR'S ANNUAL AUDIT REPORT TO MEMBERS OF DUNDEE CITY COUNCIL AND THE CONTROLLER OF AUDIT FOR THE YEAR TO 31 MARCH 2024**

**REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**REPORT NO: 265-2024**

## **1 PURPOSE OF REPORT**

This report is a response to the report prepared by the Council's external auditor on the audit of Dundee City Council for the year to 31 March 2024. A copy of following draft reports are also included on the agenda as separate items:

- External auditor's report (Report No 264-2024);
- Audited Annual Accounts for the City Council 2023/2024 (Report No 259-2024);
- Audited Dundee City Council Charitable Trusts Annual Accounts 2023/24 (Report No 260-2024);
- Audited Lord Provost of Dundee Charity Fund Annual Accounts 2023/24 (Report No 261-2024);
- Audited Dundee Trust Annual Accounts for the period ended 24 April 2024 (Report No 262-2024) and
- Audited Fleming Trust Annual Accounts 2023/24 (Report No 263-2024).

## **2 RECOMMENDATIONS**

It is recommended that the Committee:

- i notes the information in this report and the contents of the draft external auditor's report including the completed action plan at Appendix 1, and in particular that Audit Scotland have indicated they will issue an unqualified audit opinion on each of the 2023/24 Annual Accounts noted above.
- ii endorses this report as the Council's formal response to the external auditor's report.
- iii authorises the Executive Director of Corporate Services to arrange for each of the Audited Annual Accounts noted above to be signed and then returned to the external auditor.
- iv requires the Executive Director of Corporate Services thereafter to arrange for the above Annual Accounts, including copies of all audit certificates and accounts of the Council's subsidiary bodies to be published on the Council's website.

## **3 FINANCIAL IMPLICATIONS**

- 3.1 There are no direct financial implications arising from this report. A summary of the key figures reported in the accounts are noted in paragraph 4.7 of this report.

## 4 MAIN TEXT

### 4.1 Introduction

External audit is one of the key methods by which the activities and performance of local government are independently scrutinised and reported upon. The external audit of Dundee City Council for the financial year 2023/24 was carried out by Ms Rachel Browne, Director (Audit Services), Audit Scotland. Local authority external auditors are appointed for a five-year period and financial year 2023/24 marked the second year of Audit Scotland's current appointment.

4.2 The 2023/24 unaudited Annual Accounts were submitted to Scrutiny Committee earlier this year, (Article VII of the Minute of the Meeting of the Scrutiny Committee 26 June 2024, Report No: 174-2024 refers). The accounts were submitted to Audit Scotland on 29 June 2023. The accounts have since been subject to a three-week statutory public inspection period and no objections were received.

### 4.3 External Auditor's Report

Audit Scotland have now completed their audit work and, in accordance with auditing standards (ISA 260: Communication with those charged with governance), are required to report the outcome of their work in relation to their review of the financial statements, prior to formally issuing their audit opinions. This requirement has been addressed in the External Auditor's report.

4.4 The report summarises the findings in relation to the overall audit of the Council for the year ended 31 March 2024. The attached report describes the scope of audit work undertaken during 2023/24 and the issues arising from that work are divided into four key areas looking at:

- audit of 2023/2024 annual accounts
- financial management
- financial sustainability
- other wider scope audit work

4.5 In addition to the elected members of Dundee City Council, the external auditor's report is also addressed to the Controller of Audit at the Accounts Commission for Scotland. Given this wider audience, and the extent of the external auditor's responsibilities and scope of work, the report is by necessity both fulsome and extensive. It contains much information that has already been reported to the relevant committees of Dundee City Council. Further to this, external audit reports issued previously already include agreed management action plans that are the subject of separate consideration by the Scrutiny Committee. Accordingly, it is not the intention in this report to provide a detailed response or commentary on all of the external auditor's findings.

### 4.6 Audit Adjustments

Through the audit process, technical adjustments to the Council's financial statements were identified. Further details are provided in Exhibit 3 on page 11 (items 3 and 4). These adjustments related to property revaluations as at 31 March 2024.

It should be noted that none of these adjustments had any impact on the General Fund balance or usable reserves more generally.

#### 4.7 Summary of key figures

The Council's draft 2023/24 Audited Annual Accounts show that there was an underspend of £17.813m. The main components of the underspend are shown on page 3 of the accounts, with a more detailed analysis of the main areas of budget variance shown on page 4. The table on page 6 of the accounts shows that usable reserves increased by £16.135m over the year, with a closing balance of £92.250m. Within this total, General Fund balances increased by £21.084m to £77.731m at 31 March 2024. The various ear-marked components of the General Fund balance, totalling £67.916m, are shown on page 5 and in note 10 on page 76 of the accounts. The uncommitted element of the closing General Fund balance is estimated at £9.815m. This equates to 2.1% of annual budgeted net expenditure.

Capital expenditure in 2023/2024 totalled £85.629m. The key projects in the capital programme are shown in the table on pages 6 and 7 of the accounts. The Balance Sheet on page 54 of the accounts shows that the Council's overall net assets have increased by £14.203m, to £1,072.682m at 31 March 2024.

The Council's pensions liability, as measured under International Accounting Standard 19 (Employee Benefits) increased by £1.018m, to £32.221m at 31 March 2024.

#### 4.8 Action Plan

The external auditor has made five recommendations arising from the 2023/24 Council audit and seven recommendations arising from the Best Value Thematic Review 2023/24 that require further action by the Council. These recommendations have been considered carefully by the Chief Executive and Executive Director of Corporate Services and the completed action plan, incorporating the "agreed management action/timing", is included at Appendix 1 to the external auditor's report. The progress on implementing these agreed action points will be monitored by the Council's Risk and Assurance Board through the Council's established procedures for dealing with external audit reports and reviewing previously agreed action plans.

#### 4.9 Conclusions

The external auditor has undertaken a thorough and wide-ranging review of the financial statements and the processes and procedures around their preparation. The report identified two unadjusted misstatements that exceeded the reporting threshold, as disclosed in Appendix 2 to the external auditor's report. In addition to the audit of the accounts, the external auditor examined a number of areas covering a wide range of activities during 2023/24, including a Best Value Thematic Review.

Whilst a small number of adjustments were required to the unaudited accounts and some areas for improvement have been identified, it is pleasing to note that the overall findings and conclusions are satisfactory. In particular, the Council can take encouragement from the following key findings:

- the Council has completed all the recommendations from its September 2020 Best Value Report and Best Value is being delivered
- appropriate and effective governance arrangements are in place
- the Council is open and transparent
- key financial controls generally operate effectively
- the accounts were submitted in line with the audit timetable and unqualified audit opinions will be issued

#### 4.10 Next steps

Following the approval of the accounts for signature, the relevant statements of the Annual Accounts will be signed and dated by the appropriate officers and then returned to the external auditor. In line with statutory requirements, copies of the Annual Accounts together with the audit certificate and accounts of the Council's subsidiary bodies will then be published on the Council's website.

### 5 **POLICY IMPLICATIONS**

This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

### 6 **CONSULTATIONS**

The Council Leadership Team were consulted in the preparation of this report.

### 7 **BACKGROUND PAPERS**

None.

**ROBERT EMMOTT**  
**EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**16 SEPTEMBER 2024**



# Annual Accounts

AS at 31 March 2024

Audited

Report No: 259-2024



September 2024

# Dundee City Council

## Annual Accounts 2023/2024

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**PART 1 - INTRODUCTION & BACKGROUND**

We are pleased to present the Unaudited Annual Accounts for Dundee City Council (“the Council”) and its Group for the year ended 31 March 2024. The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023/2024 (“the Code”). This management commentary provides context for the annual accounts, an analysis of financial and non-financial performance and an insight into the priorities and plans of the Council and the key developments during the period. The principal financial risks and uncertainties facing the Council are identified, together with the potential impact and actions being taken.

**Service and Management Structures**

There were no significant changes to service and management structures during 2023/2024. The Council's five strategic service areas and two key partnerships are:

	<b>Children and Families</b>	The Children and Families Service is responsible for Nursery, Primary and Secondary Education, Community Justice Services and Integrated Children’s Services
	<b>City Development</b>	City Development Services is responsible for the promotion of jobs, the city’s road network, transportation facilities and Council properties and the control of development and building operations.
	<b>Dundee Health &amp; Social Care Partnership</b>	The Dundee Health and Social Care Partnership brings together adult health and social care services.
	<b>Neighbourhood Services</b>	Neighbourhood Services is responsible for the management and maintenance of housing and the environment, waste management, supporting people to develop their communities and keeping people safe and healthy.
	<b>Leisure &amp; Culture Dundee</b>	Leisure and Culture Dundee is a Scottish Charitable Incorporated Organization responsible for Leisure and Sport, Libraries and Culture.
	<b>Corporate Services</b>	Corporate Services is responsible for Corporate Finance, Customer Services, IT, Democratic and Legal Services, Human Resources and Business Support.
	<b>Chief Executive’s Services</b>	The Chief Executive’s Service is responsible for the efficient and effective management of the Council and its resources and for Community Planning, Transformation and Performance, Communications and National Entitlement Card for Scotland.

**Dundee City Council**

Dundee is Scotland’s fourth largest city, situated on the north coast of the Tay Estuary. The Dundee City Council area covers 60 square kilometres and is, geographically, the smallest local authority area in Scotland. Dundee is home to 148,350 people and is bordered by Perth and Kinross Council to the west and Angus Council to the north and east. Dundee continues to serve as the regional centre for this area and North-East Fife, with an estimated catchment population of some 500,000 people. Dundee has a sizeable student population, and is home to the University of Dundee, Abertay University and Dundee & Angus College. Dundee was Scotland’s first Fair Trade City, the UK’s first Living Wage City and the UK’s first UNESCO City of Design.



**PART 2 - FINANCIAL MATTERS****Review of the 2023/2024 Financial Year - Revenue Budget**

The 2023/2024 General Services Revenue Budget was agreed at the meeting of the Policy and Resources Committee on 23 February 2023. Council Tax for Band D was increased by 4.75%, after budget savings totalling £5.381m were approved (in addition to base budget savings of £4.880m). £1.750m of ear-marked General Fund balances were also used in balancing the 2023/2024 budget. The 2023/2024 Housing Revenue Account Budget was agreed at the meeting of the Policy and Resources Committee on 23 January 2023 and it was also agreed that rent levels would increase on average by 3.00%.

The City Governance Committee received regular revenue monitoring reports during 2023/2024 in order to keep elected members fully apprised as to the projected outturn position.

The Consolidated Income & Expenditure Statement (page 49) shows a deficit on the provision of services of £57.963m for 2023/2024, measured on an accounting basis. This deficit is carried forward to the Movement in Reserves Statement (page 50), where adjustments totalling (£74.098m) have been made to restate the accounting position to a funding basis. The overall net increase in usable reserves is £21.084m on a funding basis. The table on page 6 gives a further breakdown of the movements in usable reserves.

The Expenditure and Funding Analysis (page 46) provides a reconciliation between the funding and accounting bases, with the former providing a direct linkage back to the regular revenue monitoring reports. The Expenditure and Funding Analysis shows that on the funding basis, there was a £17.813m increase to the General Fund and HRA balances for 2023/24, before transfers between reserves. The £17.813m is made up of an increase to the General Fund of £21.888m and a deficit on the HRA of (£4.075m):

<b>Funding basis</b>	<b>Approved Revenue Budget 2023/24 £m</b>	<b>Adjusted Revenue Budget 2023/24 £m</b>	<b>Actual Net expenditure £m</b>	<b>Over/ (under) spend £m</b>
Children & Families	185.991	195.215	196.928	1.713
Dundee Health & Social Care Partnership	102.437	103.862	103.862	0.000
City Development	15.449	20.617	25.861	5.244
Neighbourhood Services	26.251	25.168	25.806	0.638
Chief Executive	14.015	16.010	15.700	(0.310)
Corporate Services	31.964	34.953	32.709	(2.244)
Construction Services*	0.000	(0.629)	0.073	0.702
Discretionary Non Domestic Rates (NDR) Relief	0.392	0.392	0.497	0.105
Tayside Valuation Joint Board	0.878	0.878	0.802	(0.076)
Miscellaneous items and contingencies	10.465	5.489	4.170	(1.319)
Housing Revenue Account*	0.000	0.000	4.075	4.075
<b>Cost of services</b>	<b>387.842</b>	<b>401.955</b>	<b>410.483</b>	<b>8.528</b>
Financing and Investment Income and Expenditure	16.196	33.263	(7.022)	(40.285)
<b>Total expenditure</b>	<b>404.038</b>	<b>435.218</b>	<b>403.461</b>	<b>(31.757)</b>
<i>Funded by:</i>				
General Revenue Funding	(266.886)	(277.725)	(277.745)	(0.020)
Contribution from National Non Domestic Rates (NNDR) Pool	(73.704)	(73.704)	(73.704)	0.000
Council Tax	(61.698)	(61.864)	(64.124)	(2.260)
<b>Deficit/ (surplus) on provision of services</b>	<b>1.750</b>	<b>21.925</b>	<b>(12.112)</b>	<b>(34.037)</b>
Use of earmarked reserves	(1.750)	(21.925)	(5.701)	16.224
<b>Decrease/ (increase) in General Fund and HRA</b>	<b>(0.000)</b>	<b>0.000</b>	<b>(17.813)</b>	<b>(17.813)</b>

\*Construction Services and the Housing Revenue Account are budgeted to break even

At a more detailed level, the main areas of variance against budget are shown in the table below:

	(Under)/ Over Spend
	£m
<b>Children &amp; Families:</b>	
Additional staffing costs for teachers mainly as a result of providing cover for absence and maternity leave	1.370
Third party payments - overspend in Children Services due to a higher than anticipated number of children who have been placed into secure care over the year	1.136
Increased property costs due to rates, repairs and maintenance being greater than anticipated	0.484
Overspend in transport costs mainly relating to pupil transport	0.269
Reflects a range of additional income streams including items either rechargeable by the service or that were provided to fund new priorities e.g. asylum seekers, Ukrainian refugees etc.	(1.597)
<b>City Development:</b>	
Higher than anticipated reactive property maintenance costs directly influenced by assessments/inspections carried out resulting in costs such as health & safety, fire risk, asbestos management or other essential remedial works	2.118
Reflects overspend on the vehicle parts, materials, fuel and hire costs in relation to the provision of the Council's Corporate Fleet portfolio	1.496
Increased service costs and additional consultancy costs	0.246
Bad debt provision including on-street car parking	1.060
Winter maintenance programme	0.376
Increased payments to Tayside Contracts and payments for other emergency works	0.329
Under recovery of fee income, reduction in Building Warrants income and shortfall in off street parking income	1.445
Additional rental income from commercial property portfolio, on street car parking income, additional charge to Tayside NHS, additional grant income and various economic development project related funds	(1.943)
<b>Neighbourhood Services:</b>	
Staff costs reflecting unfilled posts during the year	(0.220)
Increased fleet recharges and hire charges	0.709
Underspend in third party payments, relating to additional funding for Ukrainian Resettlement	(0.923)
Income shortfall within Streetscene & Land Management	0.497
Income shortfall from Waste Management	0.495
<b>Corporate Services:</b>	
Staff costs reflecting unfilled posts during the year	(1.377)
Overspends in supplies & services expenditure mainly due to increased costs of computer hardware, software and licences	0.228
Reflects a range of various additional income streams including items either rechargeable by the service or that were provided to fund new priorities.	(0.615)
Underspends in transfer payments and additional funding allocations	(0.757)
<b>Chief Executive:</b>	
Staff costs reflecting unfilled posts during the year	(0.107)
Various underspends in supplies and services mainly due to project-related underspends	(0.207)
<b>Construction:</b>	
Staff Costs	0.260
Net shortfall in income generated mainly as a result delays in projects	0.331
<b>HRA:</b>	
Staff costs reflecting unfilled posts during the year	(0.258)
Additional expenditure for repairs and maintenance due to higher volume and cost of repairs	1.592
Overspend on relets to work through the backlog of properties	1.972
Overspend on energy costs due to the increase in price of gas and electricity	0.450
Void losses due to properties being unlet for longer periods than was budgeted	0.663

Decrease in the bad debt provision due to lower than budgeted tenant arrears at year end	(0.917)
Various other property costs	0.359
<b>Miscellaneous items and contingencies:</b>	
Relates to contingencies not allocated either for pay or other general cost	(1.089)
Reflects monies devolved for Empty Property Relief that were not spent	(0.505)
<b>Financing and Investment Income and Expenditure:</b>	
Service concession gain - retrospective element (see Note 29 part (iv) for further details)	(39.773)
Contribution towards Tayside Contracts deficit	0.722
Net saving from capital financing costs mainly arising from deferral of new borrowing	(0.821)
<b>Funding sources:</b>	
Additional Council Tax income	(2.260)

The overall General Fund balance has increased by £21.084m over the year, to £77.731m at 31 March 2024 of which £67.916m is earmarked for specific purposes. This can be analysed as follows:

	<b>£m</b>
Earmarked Carry-forwards	4.124
Covid cost related pressures	2.750
Covid recovery measures	0.405
Service change initiatives	5.000
Roof remedial works	2.702
Social Housing	2.555
Amounts utilised towards funding 2024/25 budget	6.640
Other earmarked funds	3.967
Service Concession flexibility	39.773
<b>Total Earmarked Funds</b>	<b>67.916</b>
Unallocated Balance	9.815
<b>Total General Fund Balance</b>	<b>77.731</b>

Further details of the breakdown of the overall General Fund balance are shown in note 10 on page 76. The value of net assets shown in the Council's Balance Sheet (page 54) has increased from £1,058.5m (at 31 March 2023) to £1,072.7m (at 31 March 2024) i.e. an increase of £14.2m. The main reasons for this movement are asset revaluations, largely offset by higher levels of borrowing.

Please note that the figures in the Comprehensive Income and Expenditure Statement on page 51 are on an accounting basis, rather than the funding basis. The figures and variances contained in the management commentary are on the funding basis. The Expenditure and Funding Analysis on page 48 explains how the accounts move from accounting to funding bases.

The Cash Flow Statement (page 55) shows that cash and cash equivalents have decreased by £11.1m over the period, with a closing cash and cash equivalents position of £1.6m.

### Management of Reserves

Under the Council's Standing Orders and Schemes of Administration, the Executive Director of Corporate Services has delegated powers to:

- manage the Council's various reserves and balances in accordance with the agreed protocol and any other relevant guidance, and
- transfer funds between reserves as part of the Council's overall financial management arrangements.

The agreed protocol for the operation of the Council's Reserves states that the Executive Director of Corporate Services shall include a statement showing the movements in the Council's Reserves in the Annual Accounts. The following table shows the movements in the Council's available usable reserves during 2023/2024.

	General Fund £m	HRA Balance £m	Renewal & Repair Fund £m	Insurance Fund £m	Capital Grants & Receipts Unapplied Account £m	Capital Fund £m	Total £m
<b>Opening Balance 1 April 2023</b>	<b>56.647</b>	<b>-</b>	<b>14.759</b>	<b>0.644</b>	<b>1.375</b>	<b>2.690</b>	<b>76.115</b>
Surplus / (Deficit) for the Year	21.888	(4.075)	-	-	(1.021)	(0.657)	16.135
Transfer of HRA Surplus	-	4.075	(4.075)	-	-	-	0.000
Transfers Under Delegated Powers	(0.804)	-	0.142	0.548	-	0.114	0.000
<b>Closing Balance 31 March 2024</b>	<b>77.731</b>	<b>0.000</b>	<b>10.826</b>	<b>1.192</b>	<b>0.354</b>	<b>2.147</b>	<b>92.250</b>

The planned, earmarked, usage of the General Fund is set out in Note 10 on page 76.

HRA surpluses and deficits are transferred to the Renewal & Repair Fund. At 31 March 2024, £7.317m of the Renewal & Repair Fund balance related to the HRA (31 March 2023: £11.392m).

#### Review of the 2023/2024 Financial Year - Capital Budget

On 21 November 2022, the Policy & Resources Committee approved a combined five-year Capital Plan for General Services and Housing totalling £381.1m over the period 2023 to 2028. The gross capital budget for 2023/2024 totalled £133.027m. The City Governance Committee (formerly the Policy & Resources Committee) received capital monitoring reports during 2023/2024 to keep elected members apprised of project cost to date, the projected outturn position and projected completion dates. Actual gross capital expenditure for the year was £85.629m. The following table compares the actual outturn position with budget for capital expenditure and the associated funding. The underspend against the original capital budget was due to slippage across a range of projects that have mainly arisen due to cash flow revisions within these major projects for a number of different reasons since the original budgets were prepared.

	Budget £m	Actual £m	Variance £m
<b>Gross Capital Expenditure</b>	<b>133.027</b>	<b>85.629</b>	<b>(47.398)</b>
<i>Funded by:</i>			
Borrowing	87.156	46.203	(40.953)
Capital Grants & Receipts	34.584	34.595	0.011
Capital Fund	2.436	1.995	(.441)
CFCR	1.851	2.836	0.985
Slippage Allowance	7.000	0.000	(7.000)
	<b>133.027</b>	<b>85.629</b>	<b>(47.398)</b>

The main elements of slippage in the 2023/2024 capital programme were as follows:

Project	Budget £000	Actual £000	Overspend/ (Underspend) £000	Explanation
East End Community Campus	32,580	27,107	(5,473)	Cashflow has since been updated and the actual spend reflects progress on site by contractors with weather being the major factor against original projections. The project is on track to be delivered on budget and within anticipated timescales.

Project	Budget £000	Actual £000	Overspend/ (Underspend) £000	Explanation
Demolition of Surplus Properties	1,300	133	(1,167)	Spend to date reflects progress on minor demolition projects. Balance to be carried forward for demolitions of Braeview Academy and Craigie HS, that will be programmed following closure of those schools and move to EEC.
Site 6 Waterfront South Development	14,000	5,436	(8,564)	The tender was approved at committee in June 2023 when the contractor provided an updated cashflow. Since then progress on the project has been good and the project on track to be delivered on budget and within anticipated timescales.
Broughty Ferry to Monifieth Active Travel Improvements	4,047	10,030	5,983	The budget for 2023/24 was at Autumn 2022, in December 2022 Sustrans awarded additional funding for the project. This expenditure was incurred in 2023/24. The project is on track to be delivered within the available resources and within the anticipated timescales.
Low Carbon Transport Initiative - Hydrogen	3,000	-	(3,000)	The budget for 2023/24 was as at Autumn 2022. Since then the Council has had to repay the £3m grant from Scottish Government for the Hydrogen project, as the current project, has been aborted, hence no spend as no funding.
Vehicle Fleet & Infrastructure	2,398	1,354	(1,044)	Worldwide supply chain disruption has delayed the supply of new vehicles. Purchase orders have been committed however vehicles will be received in 2024/25.
DCA Lifecycle plant replacement programme	4,355	58	(4,297)	The programme for the DCA project has been reprofiled due to other workload priorities. The budget will be required going forward in future financial years.
Property Development & Improvement Programme	7,745	4,015	(3,730)	Delays in the delivery of various projects due to resource and defining the brief with the clients have required a reprofiling of budgets. Some will be off-set against other budget lines where additional funds were required. The balance will be spent through this financial year.
Baldovie (Development)	5,052	11	(5,041)	There have been issues identifying a suitable site which has led to significant delays progressing the project. A site has now been identified and the tender should be approved during 2024/25 with works starting thereafter.
Depot Rationalisation Programme	2,500	190	(2,310)	Delays in agreeing project scope with the client department have necessitated a reprofiling of budgets to suit the new programme.
Energy Efficient	8,586	882	(7,704)	Changes to the availability of procurement frameworks and ongoing contract negotiations, have impacted projected expenditure for this year.
Increased Supply of Council Housing	11,562	3,556	(8,006)	Challenging sites, construction inflation, and reductions to the affordable housing budget by Scottish Government have all affected the delivery of new-build housing. In addition, the acquisition of new properties were delayed as a result of issues for developer.



In-year gross spend on key projects in the capital programme was as follows:



**Capital Funding / Treasury Management**

In terms of the funding of capital expenditure, borrowing has the effect of increasing the Council's overall indebtedness and the level of principal repayments and loan interest charges each year. Capital expenditure met directly from revenue resources (CFCR) increases total net revenue expenditure in that particular year but does not result in an increase in overall indebtedness. The Council uses these methods of funding capital expenditure as part of its long- and short-term capital financing strategy. The Council has several sources available to it in terms of borrowing to fund capital expenditure. The most significant of these is the Debt Management Office (an Executive Agency of HM Treasury), although the Council can also issue bonds and borrow from the money markets and the European Investment Bank. During 2023/2024 the Council's Capital Financing Requirement (CFR) increased by £67.3m, from £779.0m to £846.3m (refer note 28 on page 96). The CFR is a measure of the capital expenditure incurred historically by the Council that has yet to be financed in future years by charges against revenue. The figure includes outstanding financing liabilities under the Schools PPP, DBFM and Waste Project contracts, together with the sale and lease-back arrangement for Dundee House (financing arrangement). The Council manages its CFR level in line with the requirements of the Prudential Code. The Council's external debt was £741.1m at 31 March 2024 (£680.3m at 31 March 2023). The fact that this is below the CFR confirms the Council is not borrowing for revenue purposes and is partly funding its capital expenditure from existing resources.

In terms of treasury management, the Treasury Policy Statement sets out the policies and objectives of the Council's Treasury Management activities and the practices to be used to achieve these. There is a separate Treasury Management Risk Register which identifies the risks associated with Treasury Management Activity as well as the measures taken to minimise or mitigate these risks where possible. Whilst these risks are continuously monitored, the Risk Register is presented to the City Governance Committee on a six-monthly basis (in conjunction with Treasury Activity Reporting), and maintained within the Council's Risk Management system. The Treasury Management Strategy Statement and Annual Investment Strategy for 2023/2024, required by the Council's Treasury Policy Statement and the CIPFA Code of Practice on Treasury Management, stated that the 2023/2024 Revenue Budget had been set to include a provision of £19.796m for Capital

Financing Costs, based on an average Loans Fund Interest rate of 3.5%. It identified a new net borrowing requirement in 2023/2024 of £70m which would be funded through phased borrowing during the year. During the financial year, there was £10m long-term borrowing undertaken and repayments of existing loans totalling £17.5m. This position was funded by use of cash reserves, short term borrowing and slippage within the capital programme.

### Pension Asset / (Liability) (International Accounting Standard 19)

Under International Accounting Standard 19 (Employee Benefits) the Council is required to include figures in its Annual Accounts relating to the assets, liabilities, income and expenditure of the pension scheme for its employees. It has been estimated that the Council had a net pension liability of £32.2m as at 31 March 2024 (net pension liability of £31.2m at 31 March 2023). The net liability therefore remained fairly static overall, with various actuarial estimates and assumptions largely offsetting themselves.

### Material Assets, Liabilities, Charges and Credits

There were no material transactions in relation to assets, liabilities, charges or credits outwith the normal scale of activities of the Council during the 2023/2024 financial year, other than those already separately disclosed in the Accounts.

### Accounting Policies (see note 1 to the Core Annual Accounts)

The Accounting Policies set out the basis upon which the Annual Accounts have been prepared, and explain the accounting treatment of both general and specific items. There were no significant changes in the accounting policies shown in note 1 during 2023/2024. CIPFA LASAAC has advised that the implementation of IFRS 16 Leases will come into the Accounting Code of Practice for 2024/2025 with a transition date of 1 April 2024.

### Public Finance Initiatives

The Council previously entered into three Public Finance Initiative (PFI) agreements:

- 2007/08 was the first year of a 30 year PFI contract with Discovery Education PLC to construct, maintain and facilities-manage six new primary schools and two new secondary schools in the city
- 2017/18 was the first year of a 25 year Design, Build, Finance and Maintain contract, commonly referred to as DBFM, with Hub East Central (Baldragon) Ltd to design, construct, maintain and facilities-manage a new secondary school in the city.
- 20 January 2022 was the starting point of a 25 year contract with MVV Environment Baldovie Limited (MEB) for the operation of a waste-to-energy plant and the disposal of residual waste. MEB designed and constructed the plant prior to that date.

In accordance with Finance Circular 10/2022, the Council has applied a permitted PFI Service Concession Arrangement (SCA) flexibility in financial year 2023/24 on a retrospective annuity basis to the three SCA's currently in place. The flexibility being applied is considered prudent, sustainable, and affordable over the life of the assets. By applying the flexibility a one-off combined pre 2023/24 retrospective saving of £39.773m has been achieved with the resultant benefit added to Council earmarked revenue reserves. In addition to the one-off retrospective element, an in-year, budgeted, saving occurred in scheduled debt repayments in 2023/24, of £3.600m. Debt repayment savings will be generated until SCA contracts have been repaid, followed by statutory charges over the remaining lives of the assets. Over the full asset lives of the SCA's the total repayment for the debt liability remains the same. The Council will manage the planned utilisation of SCA flexibility through an earmarked reserve specifically set up for this purpose.

### Pension Fund Accounts

Dundee City Council is the administering authority for the Tayside Pension Fund. Further information can be found in the Tayside Pension Fund's Annual Report and Accounts which is available from the Fund's [website](#).

### Financial Indicators

The following financial indicators are intended to support interpretation of the Annual Accounts and the Council's financial position and performance. They present a picture of the financial sustainability and affordability of the Council's financial plans. They also indicate how effective financial management is within the Council.

Category / Financial Indicator	2023/2024	2022/2023
<i>Reserves</i>		
Uncommitted General Fund Reserve as a proportion of Annual Budgeted Net Expenditure	2.1%	2.2%

Movement in the Uncommitted General Fund Balance	£0.585m	-£0.082m
<i>Council Tax</i>		
In-year collection rate	94.9%	96.0%
Ratio of Council Tax Income to Overall Level of Funding	14.1%	14.2%
<i>Financial Management</i>		
Actual Outturn Net Service Expenditure compared to Budgeted Net Service Expenditure	102.1%	97.8%
Actual contribution to / (from) Unallocated General Fund Balance compared to Budget	£2.335m	£0.218m
<i>Debt / Long Term Borrowing</i>		
Capital Financing Requirement for the current year	£846.4m	£779.0m
External Debt Levels for the current year	£741.1m	£680.3m
Ratio of financing costs to net revenue stream – General Services	4.3%	4.4%
Ratio of financing costs to net revenue stream – HRA	36.6%	36.3%
Impact of Capital Investment on Weekly Rents	-£0.31	-£0.72

### PART 3 - KEY DEVELOPMENTS DURING 2023/2024

#### Achievements

The Council continued to make sure that the views of our citizens are heard in the planning and delivery of services, to ensure best use is made of available resources.

A total of 1,088 people took the time to complete the budget consultation survey, and their responses helped to shape our spending priorities.

Following a successful first round in 2023, which saw twelve local projects benefit from a share of around £385,000, voting opened in January 2024 for the public to decide which projects should receive support in the second phase of the Dundee Climate Fund, the first Council-led green participatory budgeting initiative in Scotland. Residents were asked to vote on community-generated ideas collected through extensive stakeholder engagement and public consultation, covering energy efficiency, active travel, reducing waste, improving biodiversity, and increasing awareness of climate change.

Residents were also invited to take part in a consultation on long-term plans for decarbonising heat in buildings, enhancing building energy efficiency, and addressing fuel poverty, as part of the development of Dundee's Local Heat and Energy Efficiency Strategy.

The City Governance Committee receives a report every year on improvements that have been made through listening to the views of customers and service users. Among many examples, last year's report highlighted the development of Local Fairness Initiatives in Linlathen and Stobswell West to address financial and health inequalities; making the Adult Employability Service more visible, accessible, and welcoming to service users; commissioning the Mind Of My Own digital app to allow care experienced young people to provide their views; and the introduction of an online tracker to let tenants check progress with housing repairs.

The City Council was also commended for its commitment to community empowerment and engagement as part of the Accounts Commission's positive findings following the Controller of Audit's Statutory Report on Best Value. The Commission noted that all of the recommendations made following the previous Best Value Assurance Report have been implemented, and also said that:

- Effective leadership by members and officers is an area of strength for the Council - the Commission noted the clarity and coherence of the Council's vision and planning, its fair and balanced public performance reporting, and its alignment of resources with priorities.
- Financial management and planning is sound.
- The Council has a commitment to continuous improvement, and members and officers were encouraged to share Dundee's approach with other Councils.

During the past year, the Council continued to make good progress in implementing the City Plan, Council Plan and Service Plans, which are built around three key strategic priorities:

- to reduce child poverty and inequalities in incomes, education, and health
- to deliver inclusive economic growth, and
- to tackle climate change and reach Net Zero emissions by 2045.

On reducing poverty and inequalities, progress includes:

- The work of Dundee's advice agencies led to over £15 million of extra benefits being raised in the city over the past year. A successful communications campaign raised awareness of support available for those affected by the cost-of-living crisis.
- The Council allocated the package of over £1.5 million investment agreed in the budget to a range of projects tackling social inequality, such as advice services, food provision, clothing and blankets, and places where people can get a warm welcome, as well as to youth diversionary activities and environmental improvements.
- Education is one of the keys to tackling inequality, and our 'Every Dundee Learner Matters' strategy is proving a success. The strategy is aimed at increasing the three Ps - Presence: ensuring that all young people attend regularly and promptly; Participation: creating a climate where all feel welcome and valued; and Progress: developing practices that maximise the achievement and ambitions of all our young people. Increasing numbers of young people living in the most deprived areas of Dundee are leaving school having achieved literacy and numeracy at SCQF level 4 or better, and increasing numbers of Dundee school leavers are going on to positive destinations including higher education, further education, voluntary work, employment, and activity agreements.
- Our efforts to support care experienced young people and care leavers, and to deliver on "The Dundee Promise", have had a positive impact. Social Work teams alongside partners have supported 600 infants, children, young people and parents/carers on the edge of care, including support from the New Beginnings Team to vulnerable pregnant women; new "Team Around the Child" arrangements have been introduced to ensure that the views of young people and their parents and carers are central to decision-making on the support they receive; and a new Kinship Team has been developed to enhance support to Kinship Carers.
- A Bairns' Hoose pathfinder project is being taken forward in partnership with Angus and Perth and Kinross Councils, Police Scotland, and NHS Tayside. This will provide co-ordinated child-centred and trauma-informed support from all agencies who support young people who have been harmed or been witnesses to harm, with services including child protection and justice, healthcare, education, and therapeutic support.
- The Council developed Craigie Cottage – a new build house for young people to replace Fairbairn Street children's home – and a new dedicated living space to support care-experienced young people into early adulthood is being developed by adapting the flats at Reid Square to provide independent living support for 17–21-year-olds.
- A new community wellbeing centre has opened to support people experiencing emotional distress. Hope Point, Dundee Wellbeing Support, is open day and night to help people who need immediate access to support.

On delivering inclusive economic growth, examples of progress include:

- There are now over 130 Living Wage accredited employers headquartered in Dundee, collectively employing over 42,000 workers. Over 2,000 people have been uplifted to the real Living Wage and Dundee is on track to see a record number of new sign-ups this financial year.
- The Skills Academy based at Michelin Scotland Innovation Parc was officially opened. This is a national centre of excellence for skills development in renewable energy, sustainable mobility, and decarbonisation, which aims to inspire, educate, and prepare both the current and the future workforce to support and accelerate the green recovery and Scotland's transition to Net Zero.
- The Eastern Quarter is the next priority focus in the City Centre Strategic Investment Plan. As well as developing a long-term masterplan to improve the city centre, a £1 million programme of streetscape works in Commercial Street and Murraygate will enhance the public realm in a bid to address vacancies. Work also started on James Thomson House, the latest development at the Waterfront, due to complete in 2025.
- Radio 1's Big Weekend at Camperdown Park generated £3.7million for the local economy. Evaluation identified a huge range of economic and social benefits, from boosting the city's image and civic pride to creating rewarding opportunities for volunteers. Dundee also hosted the World Karate Championships and other national and international events and conferences which boosted the city's economy.

On tackling climate change:

- Dundee has been recognised as one of 119 cities across the world that are taking bold leadership on environmental action and transparency. Only 26 UK local authorities achieved an A rating based on their actions to tackle climate change, with Dundee one of only 3 in Scotland.
- The Council took an important step towards a sustainable future when members approved the Net Zero Transition Plan in November - aimed at making the organisation net-zero by 2038. The plan is centred

around lowering emissions from buildings, streetlighting, fleet, travel, and waste. The Council also embarked on development of a Local Area Energy Plan for the city, in partnership with Dundee Climate Leadership Group members.

- The first steps were taken towards delivering a decade-long sustainable transport drive, with the launch for consultation of Dundee's draft Sustainable Transport Delivery Plan. The plan outlines how initiatives in the city tie in with national and regional strategies and details potential investment from external sources of approximately £230 million over the next ten years. Issues covered include an active travel network, cycle parking and storage, road safety, 20mph zones, school streets, bus services, digital information and ticketing, mobility hubs and charging for electric vehicles. Progress continues to be made on creating new high quality, inclusive and segregated active travel routes to and from the city centre.
- Work to transform the 1970s Bell Street multi-storey car park into a Green Transport Hub got underway in March after members approved a tender for just over £4.5 million in February.
- A new mobile and tablet application for all Dundee waste and recycling matters was launched. The app includes real-time notifications for service changes, personalised bin collection calendars, bin collection reminders, seasonal recycling tips and advice, and a guide on how best to recycle or dispose of household items.

The Capital Plan approved in February 2024 will see investment of nearly £390 million in the city over the next 5 years, including:

- Investment in the school estate, notably in the £100 million East End Community Campus, which is set to open in 2025. The new building, which will replace Braeview Academy and Craigie High School, will house a music and drama centre suitable for pupils from across the city and for wider use. There will also be a café and library that will be accessible during the day for public and school use. Sports facilities will include floodlit all-weather pitches, a fitness suite, and a dance studio in addition to gym and games halls which will also be available for use during the day to create a fully integrated community hub.
- Investment in tackling climate change to deliver the Council's Net Zero ambitions, including active travel projects, modernisation of energy systems, investment in the electric fleet, low carbon projects, and the low emission zone, as well as continued environmental improvements and biodiversity initiatives.
- Investment in maintaining the quality of the housing stock; delivering energy efficiency projects; and increasing the supply of new build Council Housing to meet need. Expanding on Dundee's successful external wall insulation programme, members approved a pilot internal programme to tackle properties unsuitable for outside measures. A new Strategic Housing Investment Plan was agreed, with the aim of ensuring that the city continues to deliver new-build affordable housing for rent. The latest Housing Land Audit recorded the second-highest number of housing completions in the last decade – over 500 - covering Council, Registered Social Landlords and private sector build programmes. Further plans for the future direction of housing in Dundee were set out in two new strategic plans agreed towards the end of 2023. Both the Housing Asset Management Strategy and the Energy Efficiency and Net Zero Strategy acknowledge the serious and accelerating environmental, social, and economic challenges posed by climate change, while at the same time focusing on steps to meet standards in social housing and reduce fuel poverty.

Through our community benefits policy, all of this investment in the city continues to create opportunities for employment, apprenticeships, and work experience. The wide-ranging building programme in 2022/2023 delivered local spend of over £24 million, using more than 80% of local labour. This included the Harris Academy extension, Camperdown Hub, Michelin Scotland Innovation Parc, Derby Street Housing project and the Broughty Ferry to Monifieth active travel project.

The Council also began to develop a new strategic growth partnership between the City Council and the Scottish and UK Governments to continue the long-term regeneration of the city, to stimulate growth and investment, and to build on The Tay Cities Regional Deal and emerging projects such as the Eden Project, the Life Sciences Innovation District and the Abertay cyberQuarter.

Work also continues to drive improvements to the performance of services, using data from the Local Government Benchmarking Framework. Highlighted areas for improvement for Dundee identified in the preceding year reported in 2023/24 included the tariff score for school leavers from SIMD 1 and increasing on the pre covid cohort, a continued improvement in the claimant count reduction showing a post covid recovery and an improvement in the domestic recycling rate. The data for 2023 shows that improvement in planning application timescales and property in a satisfactory condition were delivered. Furthermore, in the latest report priority areas addressing inequalities and inclusive economic growth such as primary schools closing the attainment gap in literacy and numeracy, prioritising Scottish

Welfare Fund Grants, closing the gender pay gap, immediately available employment land, business start-ups per 10,000 population and reducing the number of people earning more than the living wage were the same or better than the LGBF family group average.

### **Welfare Reform**

The Council continues to respond proactively and positively to the many challenges presented by welfare reform. Throughout 2023/2024 mitigation in the form of assistance to make and manage a Universal Credit (UC) Full Service claim online was provided by way of drop-in, face to face, telephone and appointment-based services (where necessary) to assist UC customers. The Council has also been responding to the Universal Credit Migration Programme for those receiving Tax Credits, helping individuals to make claims at the correct time and make sure their Tax Credits are correct prior to migration, Personal Budgeting Support was limited due to the extent of demand on services but money advice support was provided by Council Advice Services as well as through the Connect Service which is back in place across 13 different Dundee community outreach venues.

Council Advice Services (incorporating Welfare Rights, Dundee Money Action, Connect, Scottish Welfare Fund and Dundee Energy Efficiency Advice Project (DEEAP) continue to offer advice and assistance to those affected by Welfare Reform and the cost of living crisis. The Council's Single Point of Contact continued to address welfare reform and debt issues from the public via its dedicated email address and single access point number (01382 431188). Fuel support was added through the Fuel Well Dundee targeted support scheme which distributed £230,000 in support funds to mitigate against fuel cut off and fuel debt. The Council also distributed soft measures such as energy lightbulbs, draught excluders, air fryers and microwaves to reduce energy costs and provide more affordable cooking options for households. Overall DEEAP made 4629 energy interventions for customers in 23/24. Council Advice Services and Customer Services worked with partners across the Council and beyond to support those struggling with food and fuel costs.

Council joint working has also continued to promote income maximisation support for citizens of Dundee. Referrals from Corporate Debt and Benefit Delivery Team for income maximisation have continued in an effort to promote a continuous improvement model of working. The Council has also worked with Aberlour Trust and Dundee Fighting for Fairness to review debt recovery practice in Dundee in light of recent research into the impact of public debt by the Robertson Trust.

In 2023/2024 Council Advice Services successfully claimed almost £12m in benefits and additional income for customers.

The GP practice co-located Welfare Rights Officer service continues to provide advice in health care settings and is available to 79,787 patients in 11 GP practices across Dundee (7 from Council Advice Services, 4 from Brooksbank). A further 2 practices are looking to come on board in 2024. In 2022/23 these practices generated £3,447,036 in benefit gains. In addition, the Maternity and Health Visitor referral service has continued to be offered to all new mothers in Dundee generating £717,000 in 2023/24. Representation at appeal tribunals, having tripled in the 2 years up to April 2018, have sharply declined between 2018-2024 due in large part to Welfare Rights Officers having consensual access to medical records within our co-located surgery locations as well as the reduction in hearings due to the pandemic.

Partnership working continues with Social Security Scotland and Dundee Food Network to promote the new and forthcoming devolved benefits such as Best Start Grant, Scottish Child Payment, Child Disability Payment, Adult Disability Payment, Carer's Assistance and Funeral Expense Assistance. Connect have now moved into 13 community venues and are currently working alongside Dundee Schools to co-locate welfare rights officers. The Morgan Academy pilot has seen gains of £385,257 for families in less than a year. Connect, Welfare Rights and Citizens Advice Bureau embarked on a Pension Credit take up campaign in the last week in February 2024. In the 3 months since then, it generated over £780,000. The Macmillan benefit advisers working in partnership with oncology and cancer wards also generated over £1.7m in 2023/24.

### **Integration of Health and Social Care**

Dundee City Integration Joint Board (DCIJB) became responsible for the strategic planning, operational management and oversight of delegated health and social care services with effect from 1st April 2016 under the Public Bodies (Joint Working) (Scotland) Act 2014. The Board consists of six voting members appointed in equal number by NHS Tayside and Dundee City Council with a number of representative members who are drawn from the third sector, staff, carers and service users. The relationship between DCIJB, NHS Tayside and Dundee City Council is set out within the Integration Scheme for Dundee. The Chief Officer of the DCIJB is an integral part of Dundee City Council's Management Team and the Board also receives professional financial

advice through its Chief Finance Officer. A revised version of the Integration Scheme was agreed by all parties and signed off by the Scottish Government in late 2022.

Dundee Health and Social Care Partnership (DHSCP) is the integrated operational delivery service responsible for the implementation of the DCIJB's Strategic and Commissioning Plan, with the revised Strategic Commissioning Framework 2023-2033 being approved in April 2023. The 'plan for excellence in health and social care in Dundee' builds on the previous framework and reflects the outcome of considerable engagement with communities and stakeholders. The plan reinforces the IJB's commitment to tackling health inequalities, promote and support self-care, ensure the IJB both plans and works together with the community to deliver health and social care services, improve access to services and valuing the workforce.

Over the course of 2023/2024, DHSCP services have adopted a 'new normal' where health and social care services continue to build on the new ways of working which have been required to be implemented as part of the Covid-19 response and recovery, such as increased use of technology to carry out virtual consultations, a blended approach to home and office working, more outreach working and greater opportunities for mobile working. The aftermath of the pandemic and cost of living crisis has led to an increased demand for health and social care services. The focus remains on the further development of integrated multidisciplinary pathways of care which promote early discharge from hospital and the provision of care, rehabilitation and treatment closer to home wherever possible. Dundee Health and Social Care Partnership is a key part of the Dundee Partnership and continued close working with Children and Families Services and other council services is crucial to delivering better outcomes for the people of Dundee particularly in relation to tackling the impact of the city's demographic and health inequality challenges, substance use issues and increasing mental health problems.

### **Our People**

Our People Strategy 2022-27 sets out clearly our agreed culture and values to support the Council's ambitious direction for the transformation of our workforce and is aligned with all other Council plans and strategies.

Some of the key benefits of Our People Strategy realised 2023/24 are:

- Introduction of annual quality conversations across the whole of the Council to ensure all employees are given formal time to reflect on their work and identify any development requirements.
- Establishment of Lived Experience Group to help review our people policies and ensure that a trauma informed lens is adopted.
- Improving the quantity and quality of the workforce data provided to all services to support the monitoring of employee absence and workforce planning.
- Increased use of digital processes to improve the speed and efficiency of our transactional services.
- Developed targeted learning pathways to support workforce planning for priority areas of service delivery.
- Reintroduced Leading Team Dundee and delivery of a new Collaborative Leadership programme to support future leaders to develop their knowledge and skills and grow in confidence.
- Continued prioritisation of digital skills delivery to support fuller implementation of Microsoft 365 across all services.
- Ongoing service design work to improve employees' experiences during their time with the Council.

In terms of next steps, the Council is currently reviewing our Hybrid Working Arrangements to ensure they continue to respond to our current business needs whilst still providing a flexible and responsive workforce. The Council is working with the Trade Unions to deliver a Health & Wellbeing action plan to promote attendance and increase awareness and access to a wide range of wellbeing services.

In essence the Council aims to continuously improve our service delivery and to support and enable initiatives which make Council Services more accessible, more convenient, more operationally effective and cost effective.

### **Awards**

During 2023/24, the Council was recognised nationally for some outstanding achievements and innovations:

- Dundee City Council was named Public Transport Authority of the Year at the Electric Vehicle Innovation and Excellence Awards, recognising electric vehicle uptake and adoption, engagement with consumers and the industry, and the investment the Council has made in infrastructure.
- Millview Cottage house for young people won the Outstanding Residential Care Service Award at the Scottish Social Services Awards, well-deserved recognition for the team which cares for young people

who have all had trauma in their childhood and aims to give them a sense of belonging, create trusting and consistent relationships, and give them structure and routine so they can reach their potential.

- The Building Skills Together project, led by Dundee City Council in partnership with Workers Education Association Scotland and other councils, won a COSLA Excellence Award in the Excellent People, Excellent Outcomes category. The project helps to integrate refugees by assisting them to have their construction skills certified.

### Sickness Absence

The Council's sickness absence figures for LGE and teacher staff combined are expressed as an average number of days lost per FTE as follows:

2019/2020	11.81
2020/2021	10.39
2021/2022	12.14
2022/2023	13.60
2023/2024	15.06

Dundee City Council's sickness absence has increased over the last year. Dundee City Council continue to work collaboratively with the Trade Unions on the Health and Wellbeing agenda. Supports such as the [Council's health and wellbeing service](#), providing training courses to equip managers with the knowledge, understanding and flexibility to deal with absences, as well as providing family/friendly policy which provide a good work/life balance for employees have unfortunately not resulted in a reduction in absence.

People Services understand the importance of data analytics surrounding absence and continue to provide a wealth of data in relation to sickness absence through the absence dashboard to help identify trends and areas of high levels of absence. People Services are using this data to work collaboratively with services to support managers to reduce absence in their service, and in turn reduce absence overall in the council. People Services are providing monthly absence statistics to the Corporate Leadership team as well as a breakdown of the outstanding actions and monitors to support managers to manage absence. Services have access to run monthly absence reports through the absence dashboard to discuss at their Senior Management team meetings.

The percentage of absence due to mental health and wellbeing reasons has reduced from 40.42% to 37.38% for all employees. Moving forward, People Services in collaboration with services will concentrate efforts in supporting employees with Health and Wellbeing.

During 2023, the Council rebranded their Employee Wellbeing Support Service, launched a new winter wellbeing programme, produced a new wellbeing framework, introduced Wellbeing Ambassadors and continued to train managers on promoting health and attendance to create a mentally healthy workforce. People Services have supported services to use the absence dashboard to use the information to identify where there are areas needing support. HR Business Partners continue to support managers to ensure there is early intervention of Occupational Health Services to support employees as early as possible. The Council will take forward the following actions:

- Will continue to review existing and developing policies to help work life balance and mental health and wellbeing including reviewing through a trauma informed lens
- Update the Health & Wellbeing action plan
- Hold focus groups alongside trade unions in service areas which have high levels of absence to identify leadership, culture and any other areas which may impact on absence.
- Carry out a mental health survey for those who have been absent due to mental health reasons to capture views on management support and application of the policy.
- Develop an attendance dashboard/resource for employees to provide all information relating to promoting attendance and wellbeing.
- Establish additional posts to support Health & Wellbeing e.g. Attendance Support Adviser and Wellness Adviser.
- Review and implement a new exit questionnaire for employees leaving the council and employees moving posts within the council to identify reasons for leaving relating to leadership or the service.
- Implement a resilience workshop for managers to increase resilience for both managers and their employees.
- Implement a workshop to understand human behaviour in teams.

All these measures will be monitored with an expectation that, together with the ongoing collaborate work between People Services, services and Trade Unions, attendance levels will gradually improve.



## Climate Change and Sustainability

The Climate Change (Scotland) Act 2009 places duties on the Council requiring it contribute to carbon emissions reduction targets; contribute to climate change adaptation; and to act sustainably. Tackling Climate Change is one of three strategic priorities detailed in the 2023-2027 delivery of a significant reduction in CO2 emissions and a target to reduce energy consumption within the Council's estate.

In 2019, Dundee City Council declared a climate emergency, recognising the serious and accelerating environmental, social and economic challenges presented by climate change. In response, a city-wide Climate Action Plan was codesigned with public private and community partners, with a first set of ambitious actions under the themes of Energy, Transport, Waste and Resilience to support Dundee City in a just transition to a net zero and climate resilient future by 2045 at the latest.

Dundee City Council is leading the transition across the city and over the past year, has developed its own organisational Net Zero Transition Plan with the seven service areas of the Council. The Plan was approved at Committee and published in November 2023. This Plan outlines Dundee City Council's organisational approach and emissions reduction programmes to achieve our goal of net zero by 2038, in line with the Scottish Governments Heat in Buildings targets to make public sector non-domestic buildings net zero direct emissions by 2038. The plan covers Emissions Reduction, Circular Economy, Climate Resilience and Just Transition. The implementation commenced in Spring 2024, with Governance, Monitoring and reporting Frameworks agreed with Services.

In addition, the Sustainability and Climate Change (S&CC) Team have led the first of two rounds of Green Participatory Budgeting, the Dundee Climate Fund. The Dundee Climate Fund (DCF) has a total of £750,000. The public voting period for DCF Round One concluded at the end of March 2023 and 12 projects were successful in securing a share of £385,066 funding. The second round of the DCF was launched in April 2023, following which 15 projects were assessed by the Review Panel and 10 projects were subsequently successful in securing a share of £326,253 at the end of March 2024. Planning for DCF Round 3 is now underway.

The S&CC team has also led on the development of the Council's Statutory Local Heat and Energy Efficiency Strategy (LHEES), which was approved at Committee and published in April 2024, setting out long term plans for energy efficiency and decarbonisation of heat in buildings to reduce emissions and tackle fuel poverty. The LHEES Delivery Plan is now in development and is due to be completed by Autumn 2024. In Dundee, LHEES is being delivered as part of wider Local Area Energy Planning (LAEP) – a plan to decarbonise the whole local energy system considering renewables, heat, energy demand and supply, transport electrification and heat networks. Following on from the LHEES, Dundee's LAEP is now in development and is due to be completed by the end of August 2024. Both these plans are being delivered through Regional Energy Systems Optimisation Planning (RESOP) partnership with Scottish and Southern Energy Networks (SEN). The outputs of LAEP and LHEES will be developed into decarbonisation and energy efficiency projects across Dundee.

The S&CC team has also completed the first phase of a Heat Decarbonisation Plan to determine which of the council's own non-domestic buildings have the most emissions; the total renewable energy generation capacity of these assets and the most suitable renewable or low carbon heat technology for these properties; an initial cost/benefit analysis of decarbonising the heat demand of the properties has also been undertaken.

In addition, the S&CC team has led on the establishment of a regional climate adaptation partnership with Perth & Kinross and Angus Councils - Tayside Adapts. Each Council will have completed a new Climate Risk and Vulnerability Assessment by autumn 2024, which will allow each of the council partners to update their respective Climate Adaptation Plans as well as developing a regional plan with support from Adaptation Scotland.

Climate change reporting is mandatory across the public sector in Scotland. The introduction of this standard reporting regime aims to improve the quality of climate change information being reported and to ensure that a consistent approach is adopted across the public sector in Scotland. Required reporting focusses on corporate emissions arising from organisational operations and service delivery, as well as key information on: Organisational Profile; Governance, Management and Strategy; Adaptation; Procurement; and Validation.

The Council's latest Public Bodies Climate Change Duties (PBCCD) Report is available to view [here](#).

The S&CC team has also secured a £38,000 Scalable Cities Action Grant for the Dundee Climate Literacy Capacity Building Programme which is currently running for 12 months, from October 2023. The main aim of the project is to provide key staff with the knowledge and skills to effectively work with emissions related data; an increasing requirement of our Net Zero plans and the Local Heat and Energy Efficiency Strategy. Outcomes include 30 staff trained, a repository of training materials and data collaboration within departments leading to informed decision making for net-zero.

The Dundee Climate Leadership Group was established in 2021 to provide active leadership on Dundee's net-zero challenge, leveraging expertise from across the city in order to engage and inspire collective ownership and a shared commitment to tackling climate change.

The Sustainable Dundee Network was also established to collaborate on public engagement of climate change issues across the city and includes over 20 different organisations from the public, private and community sectors.

Finally, Dundee has been recognised as one of 119 cities across the globe that are taking bold leadership on environmental action and transparency, despite the challenging global economic situation. The charity CDP gave the city an A rating in its rankings based on actions being taken to tackle climate change. Only 26 UK local authorities achieved the highest rating, with Dundee, Perth & Kinross and Edinburgh as the only Scottish recipients.

## PART 4 - PLANS, PRIORITIES & RISKS

### Strategic Planning

The shared vision for our city set out in the Dundee Partnership's City Plan 2022-2032, reflects a consensus in the city which we can all work towards and is set out as follows:





The new **City Plan for Dundee 2022-32** (Dundee’s Local Outcome Improvement Plan) agreed in September 2022, built on the work that was undertaken through the collective efforts of our communities, private, public and third sector partners.

It was created after listening to the people of the city, and focuses on three key priorities:

1. Reduce child poverty and inequalities in incomes, education and health
2. Deliver Inclusive Economic Growth
3. Tackle Climate Change and reach Net Zero emissions by 2045

For the next five years of this ten-year plan, the commitment and focus is on making sure the Council can report on the social transformation of the city in same positive terms as the economic one. Dundee, like many urban areas, has major social challenges to overcome. It is also clear that the pandemic and the cost-of-living crisis will exacerbate the challenges faced by the city.

The **Council Plan 2022-2027** is the strategic plan for Dundee City Council as a corporate entity. It aims to set out the main corporate approaches, priority targets and actions, and key strategies for the purposes of public accountability on delivering on our priorities.

It adopts three strategic priorities from the City Plan and sets out how the Council will play its part in achieving the vision set out in the City Plan.

This plan also sets out Dundee City Council’s main organisational priorities, key actions and how we will measure progress. The targets across all priorities are bold and ambitious but so are the challenges to be overcome along the way.



The five strategic priorities in the new Council Plan are:



The Council has a vital role in enabling transformational change to meet the needs of the city and at the same time maintain the financial sustainability of local services. Over the next five years, the Council will continue to work with partners, businesses, citizens, and communities to tackle challenges and grasp opportunities.

Many uncertainties still remain about the impacts of the UK withdrawing from the EU, the COVID-19 pandemic and now the cost-of-living crisis. The Council will pay particular attention to the impact on the local economy; on the funding of employability, social inclusion, regeneration, and support for key business sectors; and on the work of our universities and colleges, which play such a key role in the city. As a Council, we will continue to provide best value and are committed to continuing to change for the future. Given the ongoing financial uncertainties the Council will need to look again at how it designs and delivers its services. That will also affect how the Council designs its budgets and income, its service structures and workforce planning to ensure that it is working in the most efficient, effective, and innovative ways to deliver on the priorities set out in this Plan.

The people who work for the Council, organisations across the city and community groups that work with us, have shown their resilience and creativity in particular through the pandemic and we need to harness that spirit and 'can-do' approach.

All strategic Services Areas of Dundee City Council developed their new service plans during 2023/24 for submission to Committee.

### Transformation

Delivery of this sixth phase of the Council's transformational programme (**Design a Modern Council**) will support future financial plans and long-term sustainability, better services to citizens and improving outcomes for all.

The key themes within scope for this next phase of our transformation programme are set out in the Council Plan 2022-2027 as follows:

- Property Rationalisation,
- Digital Council,
- Service Re-design,
- City & Regional Shared Services and
- Payments and Income Generation

The Council's transformation programme needs to be bold and ambitious and outline how the Council is continuing its journey, responding to a changing world by embracing new technology and ways of working, and meeting the needs of customers and communities.

The new five-year programme will need to radically redesign services to meet changing demographics and demands, environment and technology, community empowerment and embracing new ways of working to address this challenge.

The Council will know it has delivered on its vision of a **Modern Council** for the future, as it will:

- be lean and efficient with a clear set of priorities that deliver for Dundee citizens and communities, focusing resources where they can make the biggest difference.
- have a clear purpose and understanding about what the Council is best placed to deliver.
- have a structured approach to designing services with people and local communities.
- have adaptable and flexible structures which promote working across organisational boundaries with greater employee empowerment, integrated teams and agile workforce.
- help communities become more self-reliant and resilient doing more for themselves.
- work in collaboration more to moving partnership working across the city from good to great.
- have a values-based culture that will unlock and develop the skills and potential of our workforce.

### Management of Risk

The Council's risk management arrangements are now well established. The Risk and Assurance Board, which is chaired by the Executive Director of Corporate Services as Senior Responsible Officer for Risk, has been in place since June 2022 and meets every 2 months. Service Level risks are considered at each meeting, including any requiring consideration for inclusion in the Corporate Risk Register.

Risk management processes are embedded across all Service areas and there is ongoing use of the Council's risk and performance management system for review and monitoring purposes.

Risk is taken into account in decision making and development of strategy, and the Corporate Risk Register is reviewed by the Council Leadership Team, taking account of output from the Risk and Assurance Board. Risk

management is also reported to the City Governance Committee and Scrutiny Committee in line with the Risk Management Policy and Strategy. The Risk Management Policy and Strategy was reviewed and updated during 2023/24 and was presented to the City Governance Committee on 21 August 2023 and the Scrutiny Committee on 27 September 2023. This report also included an update on the Council's Corporate Risk Register.

The 2023/24 Risk Management Annual Report was presented to the City Governance Committee on 10 June 2024. Committee minutes, including the content of the Risk Management Annual Report, are available on the Council's website.

## Performance

The Council's Performance Management Framework 2021-24 was approved by the Policy and Resources Committee 8 March 2021. This framework supports continuous improvement and measures delivery of the Council's Vision, Priorities and Outcomes. The Council set challenging targets and measures performance against this for a wide range of services. The framework establishes a programme of each service to develop and then report on its own service plan to the relevant committee. This process of monitoring and reporting is supported by our performance management system which analyses data, tracks progress, and summarises actions for improvement. As the Council is now into the last year of the Framework, it will be reviewed by the end of 2024 and any revisions necessary will be made to ensure the Framework continues to effectively support the Council's continuous improvement journey.

Regular reporting at City, Corporate and Service level keeps our key stakeholders, including our communities, elected members, and partners up to date on our performance. This is key to ensuring informed judgements are made about our services, to support effective decision making and to challenge performance.

The Council Plan 2022- 2027 has 22 Key Performance Indicators (KPIs). The second annual progress report for 2023/24 is being reported to the City Governance Committee on 24 June 2024. The report shows 73% of the performance indicators improved compared to the previous year's data and 64% reaching or within 5% of the target set for the current year. Specific highlights include the significant improvement in the Number of Council and Registered Social Landlord housing completions which reached its target for the first time in 2023/24. All indicators in the Deliver Inclusive Economic Growth are within 5% of their target, showing good progress on this strategic priority. There continues to be a significant uptake for new initiatives that help reduce child poverty including 82% of under 22s with an NEC card for free bus travel, and 65% of P1 to P5 pupils and 66% of P6 to S6 pupils who have taken up free school meals. The Council's corporate emissions and energy consumption in council buildings has continued to decrease, and the enforcement of the Low Emission Zone commenced on the 30th May 2024. The report also highlighted areas for improvement to concentrate on for the following year, including the educational attainment tariff score for SIMD1, and positive destinations for young people.

The first annual progress report on the City Plan for Dundee 2022-2032 went to the City Governance Committee on the 23rd October 2023. The summary of the City Plan performance showed that 50% of the performance indicators have improved when compared to the previous year. The Plan contains ambitious targets, and 15 of the 30 indicators met or are within 5% of the target. The 'reduce child poverty and inequality' theme has achieved improvement in 67% of its performance measures.

Benchmarking is also used to compare the Council's performance with other organisations to support the improvement journey. The Local Government Benchmarking Framework (LGBF) provides performance data for all 32 local authorities in Scotland and as well as comparisons, the framework holds trend data back to 2011 for most of the indicators. It therefore provides valuable trend-based insights as well as robust comparisons. The latest report on the 2022/23 data compares Dundee's performance with those Local Authorities in its family group as well as comparisons across Scotland.

There are 39 LGBF indicators that are aligned with the 5 priorities in the Council Plan 2022-2027. These indicators are summarised in the table below which is from the report to City Governance 10 June 2024. It is based on the comparison with the family group of similar authorities and shows the percentage where Dundee compares well with the group mid-point. Using this method the Council obtained an overall performance rate of 49% of 39 measures used where Dundee was in the top half of the group. Two strategic priorities relating to Creating Inclusive Growth and Community Wealth Building (7 out of 10) and Tackle Climate Change and achieve net zero by 2045 (2 out of 4) show Dundee comparing well in general in these areas compared to the other urban areas in Scotland. The Council's Performance Management Framework includes using benchmarking in this way as a method of delivering Best Value.

Local Government Benchmarking Data for 2022/23 is the latest performance data and the table below sets out our performance per priority theme. This summary compares Dundee with its Family Group and shows where Dundee compares better than the mid-point of the group.

PRIORITY	Top Half	Total Measures	%
Reduce Child poverty and inequalities in incomes health and education*	6	13	46%
Create Inclusive Growth and Community Wealth Building	7	10	70%
Tackle Climate Change and achieve net zero by 2045**	2	4	50%
Build resilient and empowered communities	1	4	25%
Design a modern Council	3	8	38%
<b>TOTAL</b>	<b>19</b>	<b>39</b>	<b>49%</b>

\*One indicator within this priority is 2021/22. Data refresh due June 2024. One indicator within this priority is 2020/21 and is refreshed biennially. Data refresh due August 2024

\*\*Three indicators within this priority are 2021/22. Data refresh due May, then July.

Dundee Performs on the Council's website is kept up to date with the latest performance and progress reports on the Council and includes easy to use graphs on a wide range of the key performance areas and benchmarking data to compare Dundee with the other Councils in Scotland.

### Best Value

A new approach to auditing and reporting on councils' performance against their duty of Best Value is underway. This new approach requires reporting on Best Value thematic areas directed by the Accounts Commission within the Annual Audit Reports each year of the 5-year audit appointment.

During year one of the new audit programme, a Best Value Review of the effectiveness of the Council's Leadership in developing new local strategic priorities following the elections in May 2022 was undertaken. In carrying out this review auditors considered these key questions.

1. How clear is the new council vision and its priorities?
2. How effectively have the views of citizens and communities been reflected in the priorities and decisions taken by the council?
3. How effectively do the council priorities reflect the need to reduce inequalities and climate change?
4. How good are the delivery plans and is there alignment of financial, workforce, asset, and digital plans with the council's priorities?
5. Overall, how effective has the leadership been (political and officer) in setting clear priorities and a sustainable approach to delivering them?

The Report into the findings was published in November 2023 and endorsing the report, the Accounts Commission noted that all of the recommendations made following the 2020 Best Value Assurance Report had been implemented.

Notable findings from the Review include:

- Effective leadership provided by officers and elected members is an area of strength for the Council. The Commission noted clarity and coherence of the Council's vision and planning, its alignment of resources with priorities, and its fair and balanced public performance reporting.
- A commitment to community empowerment and engagement comes through strongly in the Council Plan and in the evidence of how this is being delivered in practice.
- Financial management and planning is sound. Challenges remain around delivery of the capital programme, but this is also showing signs of progress.
- The Council has a commitment to continuous improvement, and the Commission encouraged elected members and officers to share their approach to this with other Councils.

**PART 5 - LOOKING TO THE FUTURE****Impact of the Current Economic Climate – Key Financial Risks and Uncertainties**

At the 2024/25 budget-setting meeting on 29 February 2024, City Governance Committee members were advised of the long term (10 year) financial outlook facing the Council, including the key assumptions used and main risk factors considered.

This was an update on the Medium-Term Financial Strategy presented to the City Governance Committee on 4 September 2023. The following approach to Medium-Term Financial planning was agreed:

- (a) the Council will set a balanced budget each year;
- (b) savings and efficiencies will be driven by transformation and service prioritisation;
- (c) resources will be prioritised to improve outcomes;
- (d) the Council will seek to achieve an overall outturn in-line with or below budget;
- (e) free balances will be retained at the higher of 2% of revenue budget or £8m;
- (f) reserves will only be used for earmarked purposes and to support the revenue budget through spend to save initiatives;
- (g) demand and demographic change will be managed through prioritisation within services;
- (h) the contingency budget will only be used for one off expenditure which is not recurring;
- (i) Joint bodies and boards will bear their share of any General Revenue Grant reduction;
- (j) a planning assumption that fees and charges will increase by at least 3% annually;
- (k) a planning assumption that Council Tax will increase by at least 3% annually;
- (l) budget provision will be made for pay awards (with incremental drift managed by services) and unavoidable inflation; and
- (m) the Council will evaluate the risks and benefits of all financial flexibilities made available to local authorities.

Following the Scottish Government announcements on the 2024/2025 local government finance settlement, a report on the financial implications for the Council was submitted to the City Governance Committee on 29 February 2024. The 2024/2025 Revenue Budget and Council Tax was agreed by the City Governance Committee on 29 February 2024. A three-year Revenue Budget was presented, as part of the Council's continuing commitment to improving medium and longer-term financial planning. The covering budget report identified the following savings requirements over the period 2024/25 to 2027/28, based on assumed flat cash grant settlements and no adjustment for the impact of distributional changes within the grant settlement process:

	Cumulative £m
2024/25	11.6
2025/26	21.2
2026/27	24.3
2027/28	31.0

In setting the 2024/2025 Revenue Budget savings totalling £0.410m and use of Covid reserves of £6.640m were agreed with a review of charges resulting in additional income of £307,000. The Council Tax remained flat with Band D at £1,486.43 after agreeing a provision of 3.2% for Council Tax non-collection.

The Scottish Government published "Scotland's Fiscal Outlook: The Scottish Government's Medium-Term Financial Strategy" on 25 May 2023. This sets out how spending on public services in Scotland is projected to grow faster than forecast funding over the next 4 years creating a gap of £1bn in 2024/25 rising to £1.9bn in 2027/28.

The following points from the document are highlighted for noting:

- whilst it is not expected that Scotland will enter recession growth remains subdued;
- the labour market is robust with high levels of employment and low unemployment;
- inflationary pressure is continuing, and the outlook is still uncertain;
- funding is expected to grow from £45.3bn in 2023/24 to £51.0bn by 2027/28 but increases vary between years with pressure most severe in 2024/25;
- the medium-term outlook is volatile and the two key components, block grant and net income tax, remain uncertain;

- high inflation will have a long term impact on public service spending in Scotland;
- spending could exceed resources by 2% (£1bn) in 2024/25 rising to 4% (£1.9bn) in 2027/28;
- capital is also under pressure and a real terms fall of 7% expected between 2024/5 and 2027/28. Higher costs also exacerbate this with a 16% gap projected in 2025/26;
- Social Security spend is projected to rise from 10% of the resource budget (£4.2bn) to 15% (£7.5bn) by 2027/28;
- the prioritisation of those in greatest need may mean a move away from universal to targeted services and a need to stop spending on non-priority programmes
- the Scottish Government will publish multi-year spending envelopes for revenue and capital alongside 2024/25 budget;
- the capital spending period will be extended by a year to 2026-27 with a reprioritisation to focus on core objectives; and
- work is continuing on a New Deal for Local Government which will include a partnership agreement and fiscal framework.

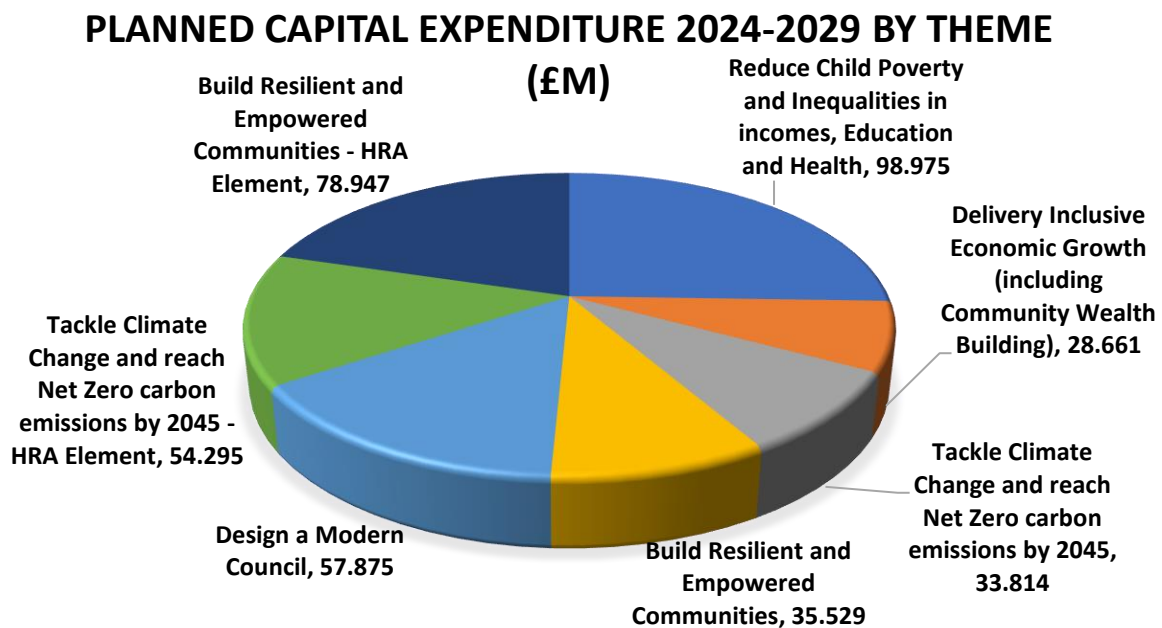
Officers will be updating projections in the light of the Scottish Government’s financial outlook and the outcome of this will be reported to a future meeting of the City Governance Committee. However, at this stage it should be noted that there remains significant uncertainty in terms of pay awards, energy prices, general inflation and government funding.

In the context of the Council having delivered savings of the order of £157m since 2008, further budget reductions on the scale anticipated will be challenging. The scope for savings will necessarily be limited to those areas of the budget where the Council has discretion to implement changes.

Officers will be exploring opportunities for savings over the summer period and will consider options including income generation, service redesign, partnership working and service reduction. As part of this process it is recommended that Officers engage with partners that work with Council on delivering services for the City to ensure that all opportunities for collaboration and service change or reduction are examined and any consequences fully understood.

**Future Developments - Capital Plan**

Despite the problematic macro-economic situation, the Council is confident that it is well placed to tackle the challenges that lie ahead. In February 2024, the City Governance Committee approved a combined five year Capital Plan for General Services and Housing totalling £388m over the period 2024 to 2029. In developing the five year Capital Plan, there has again been a focus on a thematic approach which highlights the Council’s strategic priorities.





Our Capital Plan for 2024-2029 sets out a £388 million building programme for the next five years for General Services & Housing HRA. The Capital Plan 2024-29 has been prepared within the backdrop of decreasing resources. Sustainability is a key focus for the Council with the combined investment of £88m in tackling climate change to help deliver the Council's Net Zero ambitions making up nearly a quarter of the Capital Plan. This includes Green Transport Hub & Spokes at Bell Street Multi Storey Car Park, Energy efficiency measures in Council Housing and Low carbon projects. The largest project in the capital programme is the East End Community Campus which is being delivered in partnership with the Scottish Government.

The impact of rising costs has also had an impact on the HRA capital programme, this has been partly mitigated through the reprioritisation of the current programme which is possible given the cyclical nature of these investments. The HRA Capital Plan is committed to investment for increasing the supply of new build Council Housing to meet the housing needs within Dundee.

In December 2017, the Policy & Resources Committee approved a ten year Capital Investment Strategy. The strategy is based on the themes identified in the City Plan and identifies the investment required to achieve outcomes over the ten year period. One of the key parts of the overall strategy is the Tay Cities Deal, which underpins many of the projects. The strategy also identifies as key priorities the continuing development of both the school and housing estate across the city.

### **CIPFA Financial Management Code**

The CIPFA Financial Management Code (FM Code) was issued in October 2019. The FM Code is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. The FM Code therefore for the first time sets the standards of financial management for local authorities. The FM Code is based on a series of principles supported by specific standards which are considered necessary to provide the strong foundation to:

- financially manage the short, medium and long-term finances of a local authority
- manage financial resilience to meet unforeseen demands on services
- manage unexpected shocks in their financial circumstances.

## **PART 6 - CONCLUSION & ACKNOWLEDGMENTS**

### **Conclusion**

Throughout 2023/2024 the Council continued to deliver quality services to the people of Dundee and demonstrated sound governance and prudent financial management. Where pressures emerge, as with services delivered on behalf of the Health and Social Care Partnership, corrective action is taken. This is achieved through effective collaborative working within the Council and across Partnerships. Significant challenges continue to be faced due to the high levels of deprivation in some of our communities, economic and demographic pressures, legislative and regulatory changes, increasing demands and expectations from our communities.

However, these challenges are compounded by the effects of the cost-of-living crisis and funding pressures.

Whilst the Council continues to be ambitious, innovative, and committed to delivering the best possible services with the resources it has, the financial and wider impacts of cost-of-living are being felt as the City plans for the future.

### **Acknowledgements**

We would like to thank Bailie Willie Sawers, the Senior Councillor with responsibility for Finance, all other elected members and officers of the Council for their active support and co-operation in the effective management of the Council's finances during another challenging year. Councillor John Alexander resigned as Councillor and Leader of the Council on 31 August 2024 in order to pursue a new career outside local government. We thank him for his excellent contributions to the Council over the years. Councillor Mark Flynn became Leader of the Council on 1 September 2024. Finally, we would conclude this report by thanking the Corporate Finance Team who contributed to the management and control of the Council's finances and to the finalisation of the Council's 2023/2024 Annual Accounts.



**Robert Emmott BSc,CPFA**  
Executive Director of Corporate Services  
Dundee City Council

25 September 2024



**Gregory Colgan BAcc (Hons), ACMA, CGMA**  
Chief Executive  
Dundee City Council

25 September 2024



**Councillor Mark Flynn**  
Leader of the Council  
Dundee City Council

25 September 2024

## ANNUAL GOVERNANCE STATEMENT

### Scope of Responsibility

Dundee City Council is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards. This is to ensure that public funds and assets at its disposal are safeguarded, properly accounted for and used economically, efficiently and effectively. The Council also has a duty to make arrangements to secure continuous improvement in the way its functions are carried out.

In discharging these duties Elected Members and senior officers are responsible for implementing effective arrangements for governing the Council's affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

To this end the Council has approved and adopted a Local Code of Corporate Governance that is consistent with the principles of the CIPFA/SOLACE (Chartered Institute of Public Finance and Accountancy / Society of Local Authority Chief Executives) framework Delivering Good Governance in Local Government. The Local Code of Corporate Governance explains how Dundee City Council delivers good governance and this Annual Governance Statement reviews the effectiveness of these arrangements.

In addition, the Council is responsible for confirming effective corporate governance arrangements exist within its other group entities. In line with Accounts Commission guidance, including Safeguarding Public Money: are you getting it right?, Following the Public Pound and Arm's Length External Organisations (ALEOs): are you getting it right?, part of that responsibility is about ensuring that public money is being used appropriately and achieving Best Value.

### The Council's Governance Framework

The governance framework comprises the systems, processes, cultures and values by which the Council is directed and controlled. It also describes the way it engages with, accounts to and leads the local community. It enables the Council to monitor the achievement of its planned objectives and outcomes and to consider whether those objectives and outcomes have led to the delivery of appropriate, cost-effective services.

The Local Code of Corporate Governance is supported by detailed evidence of compliance which is regularly reviewed by a working group of senior officers.

Within the overall control arrangements, the system of internal financial control is intended to ensure that assets are safeguarded, transactions are authorised and properly recorded, and material errors or irregularities are either prevented altogether or detected within a timely period. It is based on a framework of regular management information, financial regulations, administrative procedures and management supervision and checking.

The overall control arrangements include:

- Identifying the Council's objectives in the Council Plan, Community Plan and Local Outcomes Improvement Plan (City Plan).
- Monitoring of achievement of those objectives and outcomes by the Council and senior officers.
- A systematic approach to monitoring service performance at Elected Member, senior officer and project level.
- Reporting performance regularly to Council committees.
- Three-year service plans for all service areas. Regular performance reports in relation to the service plans began to be reported to relevant Committees from November 2021.
- Performance Management Framework.
- Clearly defined Standing Orders and Schemes of Administration covering Financial Regulations, Tender Procedures and Delegation of Powers.
- A Monitoring Officer to ensure compliance with laws and regulations.
- A Scrutiny Committee and individual Service Committees.
- Approved Corporate Fraud and Corruption Policy including "whistle-blowing" arrangements under the Public Interest Disclosure Act 1998.
- Ethical Values Framework.
- A Corporate Integrity Group.
- A Serious Organised Crime Group.
- Senior Officer Resilience Group.
- Council Leadership Team and each Service's Senior Management Teams.

- Participating in National Fraud Initiative strategy for sharing and cross-matching data with regular reports to Committee.
- Formal project appraisal techniques and project management disciplines.
- Setting targets to measure financial and service performance.
- Long-term Financial Outlook and Financial Strategy 2020 - 2030.
- Medium-term Financial Strategy.
- Longer- term Revenue Budget Model.
- Formal revenue and capital budgetary control systems and procedures.
- Clearly defined capital expenditure guidelines.
- A Capital Governance Group consisting of senior officers from across Council services and chaired by the Executive Director of Corporate Services.
- The Council, together with NHS Tayside have established an Integrated Health and Social Care Partnership (HSCP). The HSCP has established a governance structure and an integrated senior management structure to support delivery of its key objectives and outcomes.
- An Our People Strategy is in place to support delivery of the Council Plan and its strategic priorities.
- A Risk Management Policy and Strategy, Corporate and Service Risk Registers.
- Corporate Risk and Assurance Board, chaired by the Executive Director of Corporate Services as Senior Responsible Officer for risk.
- Corporate Governance Assurance Statement Group.
- Strategic Information Governance Group.
- Data Protection Policy and Data Breach Management Procedure.
- The assurances provided by internal audit through their independent review work of the Council's governance, risk management and control framework.
- Chief Social Work Officer governance arrangements.

### **Review of Effectiveness**

Members and officers of the Council are committed to the concept of sound governance and the effective delivery of Council services and take into account comments made by external and internal auditors and other review agencies and inspectorates and prepare actions plans as appropriate.

The effectiveness of the governance framework is reviewed annually by a working group of senior officers. The 2023/2024 review of governance arrangements against the Local Code of Corporate Governance has identified the Council as being 99% (2022/2023: 99%) compliant with the principles of the CIPFA/SOLACE framework Delivering Good Governance in Local Government.

In addition, Executive Directors from each service have made a self-assessment, in conjunction with their senior management teams, of their own governance, risk management and internal control arrangements. This involved the completion of a 75-point checklist covering eight key governance areas of Service Planning and Performance Management, Internal Control Environment; Fraud Prevention and Detection; Budgeting, Accounting and Financial Control; Risk Management and Business Continuity; Asset Management; Partnerships; and Information Governance. This again indicated a high level of compliance, with an overall score above 92% for 2023/2024 (2022/2023: 91%).

The Internal Audit Service operates in accordance with the Public Sector Internal Audit Standards (PSIAS) and reports functionally to the Scrutiny Committee. Conformance with the PSIAS should be confirmed independently, through the completion of a formal External Quality Assurance (EQA) process. The independent review was due to be undertaken in 2023 but has been delayed by the reviewer. Conformance with PSIAS, with the exception of updating the EQA within five years, has been confirmed by the self-assessment prepared by the Service as part of the review. Internal Audit undertakes an annual programme of work, which is reported to the Scrutiny Committee. The Chief Internal Auditor provides an independent opinion on the adequacy and effectiveness of the Council's governance, risk management and control framework. The overall audit opinion is that reasonable assurance can be placed upon the adequacy and effectiveness of the Council's framework of governance, risk management and control for the year to 31 March 2024.

The Council's counter fraud and anti-corruption arrangements are in accordance with CIPFA's Code of Practice on Managing the Risk of Fraud and Corruption.

The functions of the Council's Scrutiny Committee comply significantly with those as identified in CIPFA's Audit Committees: Practical Guidance for Local Authorities.

The Annual Internal Audit review highlighted three reviews this year with areas which were assessed as providing Limited Assurance. There were none providing no assurance.

- General Ledger. At June 2024 three recommendations had reached their due dates, with two complete and one in progress. One medium priority action is estimated to be 25% complete. Four other actions (two high and two low priority) have not reached their due dates yet.
- Adaptations for People with Disabilities. This was agreed in June 2024 and has seven high priority actions and two low priority actions addressing client safety, reputational and compliance risks.
- Financial Sustainability Leisure and Culture Dundee (LACD). This was agreed in June 2024 and has three critical, four high and one medium priority recommendations addressing completion of a review of the Service Agreement between the Council and LACD, and development thereafter of plans to deliver this and monitor results. There are recommendations for both the Council and LACD within this report.

The Executive Director of Corporate Services complied fully with the five principles of the role of the Chief Financial Officer, as set out in CIPFA guidance. The Council's financial management arrangements conform with the requirements of the CIPFA Financial Management (FM) Code (2019).

### **Continuous Improvement Agenda**

The Council's progress against the Continuous Improvement Agenda items for 2023/2024 is detailed in table 1 on page 29. Several items are still in progress and have been carried forward to be actioned in 2024/2025. Additional areas for improvement have also been identified by the Council's Corporate Governance Assurance Statement Group and these are included, along with the areas for improvement carried forward, on table 2 on page 32 and form the Continuous Improvement Action Plan for 2024/2025. These were identified by Executive Directors and Heads of Services in the self-assessment checklists that were completed as part of the Council's assurance gathering process. The Council's Governance structure is also detailed.

### **Group Entities**

In respect of the Joint Boards, Joint Committee, Charities and Companies that fall within the Council's group boundary, the review of their governance, risk management and control framework is informed by:

- Annual Governance Statements included in the respective financial statements of the Joint Boards and Tayside Contracts Joint Committee.
- Assurances from company directors and/or the other senior company officials.
- The work of the relevant bodies' respective external auditors (and where relevant internal audit function) and other interim reports.
- Completion of self-assessment checklists.

The Dundee City Integration Joint Board (DCIJB) and Dundee Health and Social Care Partnership (DHSCP) were formed in April 2016, at which time an approved Strategic and Commissioning Plan was in place and proper due diligence had been carried out in respect of the financial contributions transferred to the DCIJB at the outset. The Scottish Government, Integrated Resources Advisory Group, Finance Guidance includes a section on Following the Public Pound which details the requirement to put in place arrangements to maintain control and clear public accountability over public funds. More specifically, these arrangements should cover the resources delegated to the DCIJB by the Council and NHS Tayside as well as the resources allocated to the Council and NHS Tayside by the DCIJB to be used as directed and set out in the Strategic and Commissioning Plan. In terms of Council resources, projected outturns against budgets have been and will continue to be monitored and reviewed on a continuous basis with corresponding reports being presented to the DCIJB at regular intervals. In addition, the Council's Policy and Resources Committee is responsible for scrutiny of integrated health and social care. The Section 95 Officers from the Council and the DCIJB have worked, and will continue to work, together closely. Over time, the format and focus of monitoring will change as budgets and services become more integrated and aligned with the priorities set out in the Strategic and Commissioning Plan.

DCIJB comprises six voting members, three nominated by Dundee City Council and three nominated by Tayside NHS Board, as well as non-voting members including a Chief Officer and Chief Finance Officer appointed by the DCIJB. As a legacy from the response to the Covid-19 pandemic, all formal DCIJB meetings continued to be held online throughout the 2023/24 financial year.

## Conclusion

The annual review demonstrates sufficient evidence that the code's principles of delivering good governance in local government operated effectively and the Council complies with the Local Code of Corporate Governance in all significant respects for 2023/2024. It is proposed over 2024/2025 steps are taken to address the items identified in the Continuous Improvement Agenda to further enhance the Council's governance arrangements.



**Gregory Colgan BAcc (Hons), ACMA, CGMA**  
Chief Executive  
Dundee City Council

**25 September 2024**



**Councillor Mark Flynn**  
Leader of the Council  
Dundee City Council

**25 September 2024**

**CONTINUOUS IMPROVEMENT AGENDA FOR 2023/2024 - WITH PROGRESS UPDATES**

The Council's Corporate Governance Assurance Statement group identified the following areas for improvement to be taken forward during 2023/2024. Full details are included in the Local Code of Corporate Governance [Report 166-2023](#) and the 2022/2023 Annual Governance Statement [Report 167-2023](#) updated for final version in 2022/2023 Audited Accounts to Scrutiny Committee on 25 October 2023 [Report 314-2023](#).

**TABLE 1:**

ORIGINAL IMPROVEMENT AGENDA ON 2023/2024 LOCAL CODE OF CORPORATE GOVERNANCE AND ANNUAL GOVERNANCE STATEMENT REPORTS						PROGRESS UPDATES	
	Improvement	Source	Details	Responsible Officer	Target Completion Date	Actual Completion Date	Comments (e.g. Estimated Completion Date, Reasons for delays, etc.)
1	Continue to develop Business Continuity Strategy.	Local Code of Corporate Governance 2017/2018. (Principle F: Managing Risk). <a href="#">Report 223-2017</a>	Carried forward from 2022/2023. In progress.	Service Manager - Community Safety and Resilience.	31/12/2023		A Business Continuity Strategy has been drafted to be shared with the Risk and Assurance Board and Council Leadership Team for approval. *
2	Replace Construction Services' Costing System.		Carried forward from 2022/2023. In progress.	Head of Construction and Head of Customer Services and IT.	01/10/2023		Device roll out is complete. Sprint Testing is ongoing for costing system. Some rework required for financial processes. Work allocation sprint test for property maintenance team now in progress - feedback being reviewed to identify what changes / improvements can be made. Progress of implementation of Civica CX and Total Mobile has been delayed due to IT issues and other priorities (e.g. relets, etc.). Ongoing testing by Corporate Finance and Construction Services. Feedback will determine next actions. *

	Improvement	Source	Details	Responsible Officer	Target Completion Date	Actual Completion Date	Comments (e.g. Estimated Completion Date, Reasons for delays, etc.)
3	Develop a future needs analysis and workforce plan within each service area for the short, medium and long term in line with the Our People and Workforce Strategy.	Best Value Self-Assessment <a href="#">Report 68-2020</a>	Carried forward from 2022/2023. In progress. To ensure staff skills match service delivery requirements and align workforce and strategic planning to ensure citizen's needs are being met in accordance with agreed priorities and statutory duties.	Joint Head of People.	31/12/2023	31/07/2023	Future Needs Analysis approved by Council Leadership Team in July 2023. Complete.  All Service level Workforce Plans completed on 4 <sup>th</sup> April 2023.
4	Implementation of Corporate Property Management system.	Annual Governance Statement 2022/2023. (Self-Assessment Checklist (SAC): Internal Control Environment section).	New for 2023/2024.	Head of Design and Property Services.	31/03/2027		Project Initiation Document still currently being prepared for this project. Confirmation this will include specification for new system, option appraisal and confirmation of funding in capital programme. Resource requires to be identified to progress the next stage. *
5	Roll-out Procurement Strategy, including implementation of Sourcing Strategies.	Annual Governance Statement 2022/2023. (Self-Assessment Checklist (SAC): Budgeting, Accounting and Financial Control section).	New for 2023/2024.	Head of Corporate Finance.	31/03/2024	03/05/2024	Approved Procurement Strategy 2023-2024 now rolled out and has been refreshed by an updated 3-year Procurement Strategy covering the period 2024-2027. Sourcing strategy process is now also embedded although limits for preparation and approval of these is under review and will be reflected in the revised standing orders / tender procedures and updated in the relevant procurement guidance.



	Improvement	Source	Details	Responsible Officer	Target Completion Date	Actual Completion Date	Comments (e.g. Estimated Completion Date, Reasons for delays, etc.)
6	Full implementation of No Purchase Order No Pay.	Annual Governance Statement 2022/2023. (Self-Assessment Checklist (SAC): Budgeting, Accounting and Financial Control section).	New for 2023/2024.	Head of Corporate Finance.	31/03/2024	03/05/2024	Regular user training now in place and is available to services through MyLearn. Guidance on payments and purchasing agreed including review of approval levels for all purchase orders and process to update these and this was issued to all services in April 2024. Compliance with this guidance will be monitored on any ongoing basis.
7	Mandatory Data Protection Impact Assessment (DPIA) training for appropriate officers.	Annual Governance Statement 2022/2023. (Self-Assessment Checklist (SAC): Information Governance section).	New for 2023/2024.	Head of Democratic and Legal Services.	31/03/2024		To enable this action to be completed Services are currently identifying the appropriate officers to be trained. *
8	Review the Council's Standing Orders.	Annual Governance Statement 2022/2023. (Self-Assessment Checklist (SAC): Internal Control Environment section).	New for 2023/2024.	Head of Democratic and Legal Services.	30/09/2023		Order of Reference to City Council and Committees reviewed following amendments to the Committee Structure. Scheme of Delegation of Powers agreed by Council Leadership Team. Standing Orders will be considered by Elected Members after the Summer Recess by the City Governance Committee. *

\*Carried forward items have been included in Table 2 with new target completion dates.

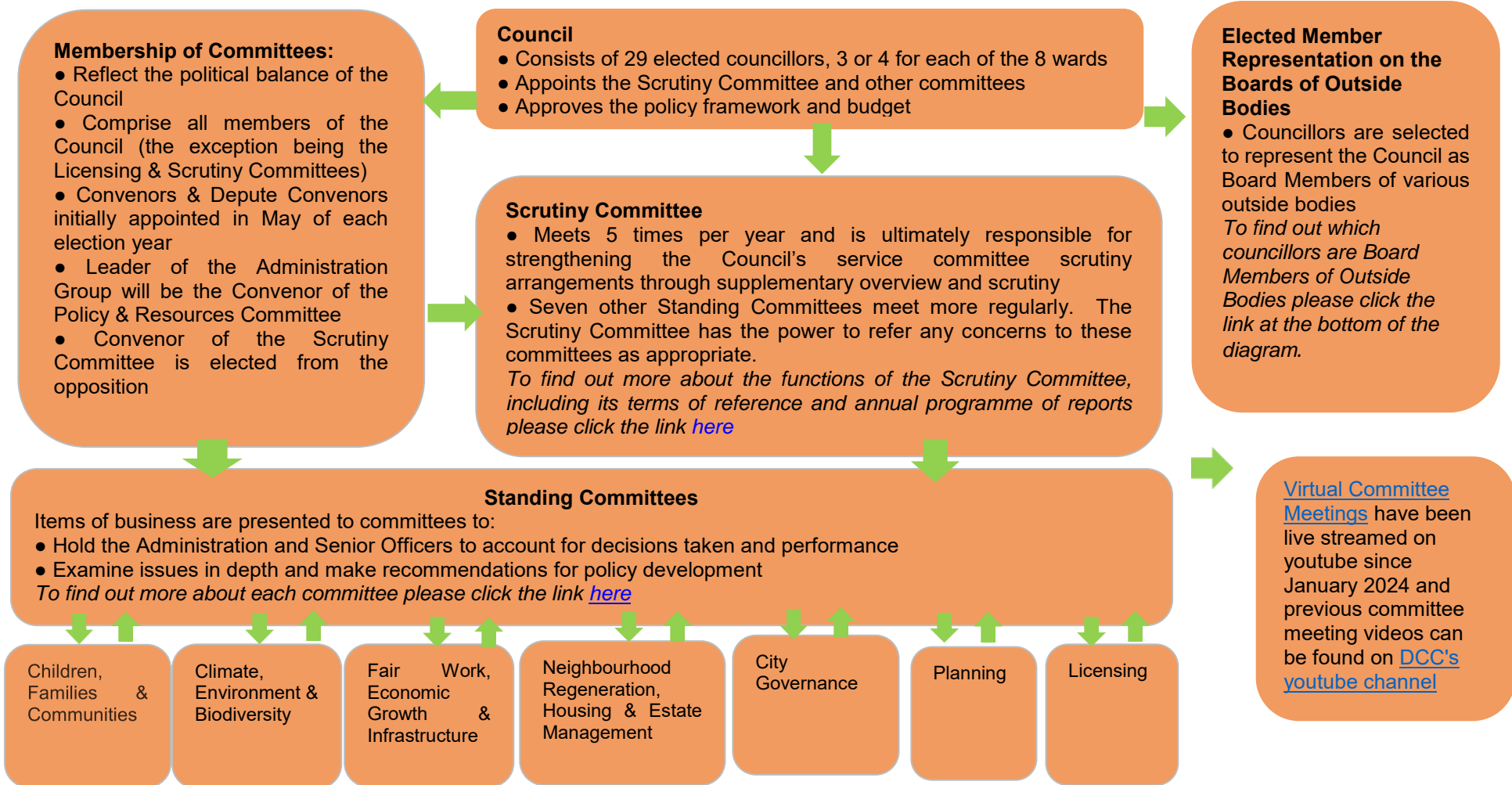
**CONTINUOUS IMPROVEMENT AGENDA FOR 2024/2025**

The Council's Corporate Governance Assurance Statement group has identified the following areas for improvement, full details are included in the Council's Local Code of Corporate Governance, to be taken forward during 2024/2025:

**TABLE 2**

	<b>Improvement</b>	<b>Source</b>	<b>Details</b>	<b>Responsible Officer</b>	<b>Target Completion Date</b>
<b>1</b>	Continue to develop Business Continuity Strategy.	Local Code of Corporate Governance 2017/2018. (Principle F: Managing Risk). <a href="#">Report 223-2017</a>	Carried forward from 2023/2024. In progress.	Service Manager - Community Safety and Resilience.	31/03/2025
<b>2</b>	Replace Construction Services' Costing System.		Carried forward from 2023/2024. In progress.	Head of Construction and Head of Customer Services and IT.	31/03/2025
<b>3</b>	Implementation of Corporate Property Management system.	Annual Governance Statement 2022/2023. (Self-Assessment Checklist (SAC): Internal Control Environment section).	Carried forward from 2023/2024. In progress.	Head of Design and Property Services.	31/03/2027
<b>4</b>	Mandatory Data Protection Impact Assessment (DPIA) training for appropriate officers.	Annual Governance Statement 2022/2023. (Self-Assessment Checklist (SAC): Information Governance section).	Carried forward from 2023/2024. In progress.	Head of Democratic and Legal Services.	31/03/2025
<b>5</b>	Review the Council's Standing Orders.	Annual Governance Statement 2022/2023. (Self-Assessment Checklist (SAC): Internal Control Environment section).	Carried forward from 2023/2024. In progress.	Head of Democratic and Legal Services.	30/09/2024
<b>6</b>	Roll-out advanced risk management training module for senior officers.	Corporate Governance Assurance Statement Group.	New for 2024/2025.	Head of Corporate Finance	31/03/2025
<b>7</b>	Fully roll-out Quality Conversations.	Annual Governance Statement 2023/2024. (Self-Assessment Checklist (SAC): Internal Control Environment.	New for 2024/2025.	Head of People	31/03/2025

**Dundee City Council's Governance Structure:**



<https://www.dundee.gov.uk/service-area/corporate-services/democratic-and-legal-services/outside-bodies-elected-member-representation>

## ANNUAL REMUNERATION REPORT

### INTRODUCTION

The Council is required to prepare and publish within its Annual Accounts an annual Remuneration Report under the Local Authority Accounts (Scotland) Regulations 2014. The report sets out the remuneration and accrued pension benefits of the Senior Councillors and Senior Employees of the Council. The report also provides information on the number of Council Employees (including Senior Employees) whose total actual remuneration was £50,000 or more, this information being disclosed in salary bandings of £5,000 above £50,000. The following report has been prepared in accordance with the aforementioned Regulations. The Remuneration Report also provides details of Termination Benefits and Exit Packages for staff. The Council's External Auditor is required to audit certain parts of the Remuneration Report and give a separate opinion in their report on the Annual Accounts as to whether the Remuneration Report has been properly prepared in accordance with the Regulations and other relevant guidance. All information disclosed in the tables in this Remuneration Report are subject to audit by the Council's external auditors. The other sections of the Remuneration Report have been reviewed by the external auditors to ensure that they are consistent with the financial statements.

### REMUNERATION ARRANGEMENTS

#### Senior Councillors

The remuneration of Councillors is regulated by the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2023 (Scottish Statutory Instrument No. 2023/21) and subsequent amendment regulations with further guidance being provided in Scottish Government circulars 8-2011 and 7-2014. The Regulations provide for the grading of Councillors for the purposes of remuneration arrangements, as either the Leader of the Council, the Civic Head (Lord Provost for Dundee City Council), Senior Councillors or Councillors. The Leader of the Council and the Civic Head cannot be the same person for the purposes of payment of remuneration. A Senior Councillor is a Councillor who holds a significant position of responsibility in the Council's political management structure.

The salary that is to be paid to the Leader of the Council is set out in the Regulations. For 2023/2024 the salary for the Leader of Dundee City Council was £40,205. The Regulations permit the Council to remunerate one Civic Head. The Regulations set out the maximum salary that may be paid to that Civic Head. The agreed policy of Dundee City Council is to pay the Civic Head (Lord Provost) the maximum salary set out in the Regulations (£30,154). The Regulations allow the Civic Head to incur expenditure of up to £3,000 on expenses associated with the position. During 2023/2024, the Council's Lord Provost incurred expenditure of £2,870 under this heading.

The Regulations also set out the remuneration that may be paid to Senior Councillors and the total number of Senior Councillors that the Council may have. The maximum yearly amount that may be paid to a Senior Councillor is 75% of the total yearly amount payable to the Leader of the Council. The total yearly amount payable by the Council for remuneration of all of its Senior Councillors (including the Leader and Civic Head) shall not exceed £386,947 and the number of Senior Councillors shall not exceed 15. The Council is able to exercise local flexibility in the determination of the precise number of Senior Councillors and their salary within these maximum limits.

With effect from 23 May 2022, Dundee City Council has had 15 Senior Councillors including the Leader and Civic Head. The remuneration payable to these Councillors in a full financial year totals £399,515, incorporating the effect of 0.4%, 2.8%, 2.2%, 4.2%, 5.2% and 2.7% pay increases from 1 April 2018, 1 April 2019, 1 April 2020, 1 April 2021, 1 April 2022 and 1 April 2023 respectively. The actual remuneration paid to Senior Councillors in 2022/2023 was £367,113. The Regulations also permit the Council to pay contributions or other payments as required to the Local Government Pension Scheme in respect of those Councillors who elect to become Councillor members of the pension scheme.

The remuneration details for the Leader of the Council, the Civic Head (Lord Provost for Dundee City Council) and Senior Councillors are set out in Table 1a on page 39. The salaries, allowances and expenses for all Councillors (including Senior Councillors) are set out below.

**Remuneration paid to Councillors (subject to audit)**

	<b>2023/2024</b>	<b>2022/2023</b>
	<b>£</b>	<b>£</b>
Salaries	689,150	661,527
Mileage, Travel & Subsistence etc	6,283	4,767
Training & Conferences	-	85
Telephone Expenses	2,147	3,277
Other Allowances	521	285
	<b>698,101</b>	<b>669,941</b>
Provision of Council Cars	46,030	43,334
<b>Total</b>	<b>744,131</b>	<b>713,275</b>

The full Annual Return of Councillors Salaries & Expenses for 2023/2024 is available on the Council's [website](#).

**Senior Employees of the Council**

The salary of Senior Employees is set by reference to national agreements. The Scottish Joint Negotiating Committee (SJNC) for Local Authority Services sets the salaries for the Chief Executives of Scottish local authorities. The salaries of the Executive Directors and Heads of Service are determined with reference to the Chief Executive's salary taking into account the duties and responsibilities of their posts. The Council's City Governance Committee is responsible for agreeing the salaries of Executive Directors and Heads of Service. As part of the revised service and management structures agreed in June 2015, the Council adopted a single pay and grading structure for all employees, other than those on Scottish Negotiating Committee for Teachers (SNCT) conditions of service.

Senior Employees are entitled to participate in the Council's Contract Car Hire Scheme, subject to meeting certain criteria. The Council's Policy and Resources Committee is also responsible for agreeing the terms of the Contract Car Hire Scheme.

For the purposes of the Remuneration Report, the Regulations set out the following criteria for designation as a Senior Employee of the Council:

- (i) has responsibility for management of the local authority to the extent that the person has power to direct or control the major activities of the authority (including activities involving the expenditure of money), during the year to which the Report relates, whether solely or collectively with other persons;
- (ii) holds a post that is politically restricted by reason of section 2(1)(a), (b) or (c) of the Local Government and Housing Act 1989; or
- (iii) annual remuneration, including any remuneration from a local authority subsidiary body, is £150,000 or more.

The Council has determined that 7 employees (7 posts) meet the criteria for designation as a Senior Employee in 2023/2024, with all 7 employees falling into either category (i) and / or (ii) above. The remuneration details for the Senior Employees of the Council are set out in Table 2 on page 40.

The Regulations also require information to be published on the total number of Council employees (including Senior Employees) whose total actual remuneration was £50,000 or more. This information is to be disclosed in salary bandings of £5,000 above £50,000 and is shown in the following table:

**Remuneration Bands (subject to audit)**

	No of Employees 2023/2024	No of Employees 2022/2023
£50,000 - £54,999	210	139
£55,000 - £59,999	192	190
£60,000 - £64,999	74	57
£65,000 - £69,999	62	37
£70,000 - £74,999	44	63
£75,000 - £79,999	45	13
£80,000 - £84,999	12	9
£85,000 - £89,999	7	4
£90,000 - £94,999	3	7
£95,000 - £99,999	2	4
£100,000 - £104,999	5	9
£105,000 - £109,999	11	0
£110,000 - £114,999	0	1
£120,000 - £124,999	1	1
£125,000 - £129,999	0	3
£135,000 - £139,999	4	0
£160,000 - £164,999	0	1
£170,000 - £174,999	1	0
<b>Total</b>	<b>673</b>	<b>538</b>

**ACCRUED PENSION BENEFITS**

Pension benefits for Councillors and Local Government Employees are provided through the Local Government Pension Scheme (LGPS). A new Local Government Pension Scheme (Scotland) came into effect on 1 April 2015, based on career average related earnings (CARE Scheme).

Councillors' pension benefits are based on career average pay. The Councillor's pay for each year or part year ending 31 March (other than the pay in the final year commencing 1 April) is increased by the increase in the cost of living, as measured by the appropriate index (or indices) between the end of that year and the last day of the month in which their membership of the scheme ends. The total of the revalued pay is then divided by the period of membership to calculate the career average pay. This is the value used to calculate the pension benefits.

For Local Government Employees the scheme currently provides benefits based on career average revalued salary and length of service on retirement. The scheme's normal retirement age for both Councillors and Local Government Employees is linked to the state pension age.

From 1 April 2009 a five tier contribution system was introduced with contributions from scheme members being based on how much pay falls into each tier. This is designed to give more equality between the cost and benefits of scheme membership. Prior to 2009, contribution rates were set at 6% for all non-manual employees. The members contribution rates for 2023/2024 remain at the 2009/2010 rates, however the pay bandings have been updated. The tiers and contribution rates are as follows:

<b>Whole Time Pay</b>	<b>Contribution Rate 2023/2024</b>
On earnings up to and including £25,300	5.5%
On earnings above £25,301 and up to £31,000	7.25%
On earnings above £31,001 and up to £42,500	8.5%
On earnings above £42,501 and up to £56,600	9.5%
On earnings of £56,601 and above	12%

If a person works part-time their contribution rate is worked out on the whole-time pay rate for the job, with actual contributions paid on actual pay earned.

There is no automatic entitlement to a lump sum. Members may opt to give up (commute) pension for lump sum up to the limit set by the Finance Act 2004. The accrual rate under the new CARE Scheme guarantees a pension based on 1/49th of pensionable salary, calculated separately for each year of pensionable service. Prior to 2015 the accrual rate guaranteed a pension based on 1/60th of final pensionable salary and years of pensionable service.

### **Senior Councillors**

The accrued pension benefits for Senior Councillors are set out in Table 3 on page 41, together with the pension contributions made by the Council.

### **Senior Employees of the Council**

The accrued pension benefits for Senior Employees are set out in Table 4 on page 43, together with the pension contributions made by the Council.

### **Assumptions and Contextual Information**

The value of the accrued pension benefits has been calculated on the basis of the age at which the person will first become entitled to receive a pension on retirement without reduction on account of its payment at that age; without exercising any option to commute pension entitlement into a lump sum; and without any adjustment for the effects of future inflation. The pension figures shown relate to the benefits that the person has accrued as a consequence of their total Local Government service and not just their current appointment.

In considering the accrued pension benefits figures the following contextual information should be taken into account:

- (i) the figures for pension and lump sum are illustrative only in light of the assumptions set out above and do not necessarily reflect the actual benefits that any individual may receive upon retirement.
- (ii) the accrued benefits figures are reflective of the pension contributions that both the employer and the scheme member have made over a period of time. In 2023/2024, the scheme member contribution rate for Senior Councillors was in the range of 5.5% to 6.4% (2022/2023 3.25% to 5.7%) of pensionable pay and for Senior Employees was in the range of 9.4% to 10.3% (2022/2023 9.5% to 10.4%) of pensionable pay. In 2023/2024, the employer contribution rate was 17.0% (2022/2023 17.0%) of pensionable pay for both Senior Councillors and Senior Employees.

### **TERMINATION BENEFITS & EXIT PACKAGES**

As part of ongoing cost saving measures aimed to implement a reduction in staffing levels the Council have approved a series of Voluntary Early Retirement and Voluntary Redundancy Schemes. Table 5 on page 44 details the total number and cost of staff departures agreed under these schemes, split over various cost bandings. The total cost of these exit packages includes the strain on fund payable by the Council to the relevant pension scheme, employer's contribution to any enhancement of service awarded (i.e. added years benefits) or redundancy payments made.

**Trade Union (Facility Time Publication Requirements) Regulations 2017 (not subject to audit)**

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require a range of information in relation to the time and costs of employee involvement in trade union activity to be disclosed in the annual report. Our first disclosures under these Regulations related to the 2020/2021 financial year which were made in the 2021/2022 accounts. During 2023/2024, the Council obtained numbers for the 2022/2023 financial year:

<b>Trade Union (Facility Time Publication Requirements) Regulations 2017 disclosure requirement</b>	<b>2022/23</b>	<b>2021/22</b>
Number of employees who were relevant union officials during the relevant period	37	55
How many employees who were relevant union officials during the relevant period spent		
a) 0 -1% of their working hours on facility time:	7	30
b) 1 – 50% of their working hours on facility time:	28	23
c) 51-99% of their working hours on facility time:	1	1
d) 100% of their working hours on facility time:	1	1
Percentage of the total pay bill spent on facility time	0.088%	0.061%
Time spent on paid trade union activities as a percentage of total paid facility time hours	Not available	Not available

The 2023/2024 data is currently being collated and will be published on the Council’s website when available.



**Gregory Colgan BAcc (Hons), ACMA, CGMA**  
**Chief Executive**  
**Dundee City Council**

**25 September 2024**



**Councillor Mark Flynn**  
**Leader of the Council**  
**Dundee City Council**

**25 September 2024**



**TABLE 1a - REMUNERATION OF SENIOR COUNCILLORS (subject to audit)**

Councillor Name	Responsibility	Salary, Fees & Allowances £	Taxable Expenses £	Non-cash Expenses & Benefits -in-Kind £	Total Remuneration 2023/2024 £	Total Remuneration 2022/2023 £
Anne Rendall	Convener of Neighbourhood Services Committee (to 6 May 2022)	-	-	-	-	2,586
Bill Campbell	Lord Provost (from 24 May 2022), Depute Lord Provost (to 6 May 2022)	30,154	-	-	30,154	27,289
Christina Roberts	Depute Convener of Planning Committee (from 10 July 2023), Convener of Community Safety & Public Protection Committee (from 24 May 2022 to 9 July 2023), Depute Convener of Neighbourhood Services Committee (to 6 May 2022)	23,733	-	-	23,733	24,534
Heather Anderson	Convener of Climate, Environment and Biodiversity Committee (from 10 July 2023), Convener of Neighbourhood Services Committee (from 24 May 2022 to 9 July 2023)	26,697	-	-	26,697	22,222
Ian Borthwick	Lord Provost (to 6 May 2022)	-	-	-	-	2,920
John Alexander	Leader (to 31 August 2024), Convener of City Governance Committee (from 10 July 2023), Convener of Policy & Resources Committee (to 9 July 2023)	40,205	-	-	40,205	37,359
Kevin Cordell	Depute Lord Provost (from 24 May 2022), Convener, Community Safety and Public Protection (to 6 May 2022) (note 1)	25,128	-	-	25,128	21,687
Kevin Keenan	Convener of Scrutiny Committee, Leader of the Major Opposition Group	26,697	-	-	26,697	24,808
Lynne Short	Depute Convener of Neighbourhood Regeneration, Housing and Estate Management Committee (from 10 July 2023)	24,573	-	-	24,573	-
Mark Flynn	Leader (from 1 September 2024), Convener of Neighbourhood Regeneration, Housing and Estate Management Committee (from 10 July 2023), Convener of City Development Committee (to 9 July 2023)	26,697	-	-	26,697	24,808
Nadia El-Nakla	Depute Convener of Climate, Environment and Biodiversity Committee (from 10 July 2023), Depute Convener of Neighbourhood Services Committee (from 24 May 2022 to 9 July 2023)	22,613	-	-	22,613	18,822
Roisin Smith	Depute Convener of Children, Families and Communities Committee, Depute Convener of Licensing Committee (from	22,613	-	-	22,613	21,012

	10 July 2023), Depute Convener of Children & Families Services Committee (to 9 July 2023)					
Siobhan Tolland	Depute Convener of Fair Work, Economic Growth and Infrastructure Committee (from 10 July 2023), Depute Convener of Planning Committee (from 24 May 2022 to 9 July 2023)	22,613	-	-	22,613	18,822
Steven Rome	Convener of Fair Work, Economic Growth and Infrastructure Committee (from 10 July 2023), Depute Convener of City Development Committee (to 9 July 2023)	25,577	-	-	25,577	21,012
Stewart Hunter	Convener of Children, Families and Communities Committee (from 10 July 2023), Convener of Children & Families Services Committee (to 9 July 2023), Convener of Licensing Committee	26,697	-	-	26,697	24,808
Will Dawson	Convener of Planning Committee	26,697	-	-	26,697	24,808
Willie Sawers	Depute Convener of City Governance Committee (from 10 July 2023), Depute Convener of Policy & Resources Committee (to 9 July 2023)	26,697	-	-	26,697	24,808
<b>Total</b>		<b>397,391</b>	<b>-</b>	<b>-</b>	<b>397,391</b>	<b>342,305</b>

1. The figures for Salary, Fees and Allowances represents total remuneration for the year including payment for being a Councillor, together with the additional payment for being the Convener of the Tayside Valuation Joint Board.

### Note

The following recharges were made by the Council to the following bodies in respect of the above responsibilities:

	2023/2024	2022/2023
	£	£
Tay Road Bridge Joint Board	3,773	3,242
Tayside Valuation Joint Board	5,029	5,274
<b>Total</b>	<b>8,802</b>	<b>8,516</b>

**TABLE 2 – REMUNERATION OF SENIOR EMPLOYEES OF THE COUNCIL (subject to audit)**

Employee Name	Post Title	Salary, Fees & Allowances £	Bonuses, Taxable Expenses £	Other payments £	Compensation for Loss of Employment £	Benefits Other Than in Cash £	Total Remuneration 2023/2024 £	Total Remuneration 2022/2023 £
Gregory Colgan	Chief Executive (see note 1)	168,407	-	1,642	-	-	170,049	160,442
Robert Emmott	Executive Director of Corporate Services and S95 Officer	135,763	-	-	-	-	135,763	128,027
Audrey May	Executive Director of Children and Families	135,763	-	-	-	-	135,763	123,722
Robin Presswood	Executive Director of City Development	135,763	-	-	-	-	135,763	128,027
Elaine Zwirlein	Executive Director of Neighbourhood Services	135,763	-	-	-	-	135,763	128,027
Judy Dobbie	Director of Leisure and Culture Dundee	120,850	-	-	-	-	120,850	113,969
Diane McCulloch	Head of Health & Community Care, Dundee Health and Social Care Partnership (Chief Social Work Officer) (see note 2)	107,596	-	-	-	-	107,596	101,450
Glyn Lloyd	Head of Children's and Community Justice Service (see note 2)	8,966	-	-	-	-	8,966	-
<b>Total</b>		<b>948,871</b>	<b>-</b>	<b>1,642</b>	<b>-</b>	<b>-</b>	<b>950,513</b>	<b>883,664</b>

**TABLE 2 NOTES**

1. The remuneration for Gregory Colgan, Chief Executive, includes £1,642 fees for election duties.
2. Diane McCulloch retired on 30 April 2024 and was the Council’s Chief Social Work Officer until 29 February 2024. Glyn Lloyd took over as Chief Social Work Officer from 1 March 2024. His full-time equivalent remuneration was £107,596.

**TABLE 3 – SENIOR COUNCILLORS ACCRUED PENSION BENEFITS (subject to audit)**

Councillor Name	Responsibility	Pension as at	Pension	Lump Sum	Lump Sum	Pension	Pension
		31 March 2024	Difference from 31 March 2023	as at 31 March 2024	Difference from 31 March 2023	Contribution 2023/2024	Contribution 2022/2023
		£000	£000	£000	£000	£	£
Anne Rendall	Convener of Neighbourhood Services Committee (to 6 May 2022) (note 2)	-	-	-	-	-	440
Bill Campbell	Lord Provost (from 24 May 2022), Depute Lord Provost (to 6 May 2022)	6.0	1.2	-	-	5,126	4,639
Christina Roberts	Depute Convener of Planning Committee (from 10 July 2023), Convener of Community Safety & Public Protection Committee (from 24 May 2022 to 9 July 2023), Depute Convener of Neighbourhood Services Committee (to 6 May 2022)	7.9	1.0	2.0	0.1	4,034	4,171
Heather Anderson	Convener of Climate, Environment and Biodiversity Committee (from 10 July 2023), Convener of Neighbourhood Services Committee (from 24 May 2022 to 9 July 2023 (note 3)	3.2	2.7	-	-	4,538	3,778
John Alexander	Leader (to 31 August 2024), Convener of City Governance Committee (from 10 July 2023), Convener of Policy & Resources Committee (to 9 July 2023)	6.9	1.0	-	-	6,834	6,351
Kevin Cordell	Depute Lord Provost (from 24 May 2022), Convener, Community Safety and Public Protection (to 6 May 2022) (note 1)	6.1	1.0	-	-	4,271	3,640

Councillor Name	Responsibility	Pension as at 31 March 2024 £000	Pension Difference from 31 March 2023 £000	Lump Sum as at 31 March 2024 £000	Lump Sum Difference from 31 March 2023 £000	Pension Contribution 2023/2024 £	Pension Contribution 2022/2023 £
Kevin Keenan	Convener of Scrutiny Committee, Leader of the Major Opposition Group	9.3	1.2	2.4	0.1	4,538	4,218
Lynne Short	Depute Convener of Neighbourhood Regeneration, Housing and Estate Management Committee (from 10 July 2023)	4.0	0.8	-	-	4,177	-
Mark Flynn	Leader (from 1 September 2024), Convener of Neighbourhood Regeneration, Housing and Estate Management Committee (from 10 July 2023), Convener of City Development Committee (to 9 July 2023)	3.6	0.8	-	-	4,538	4,218
Nadia El-Nakla	Depute Convener of Climate, Environment and Biodiversity Committee (from 10 July 2023), Depute Convener of Neighbourhood Services Committee (from 24 May 2022 to 9 July 2023)	0.9	0.5	-	-	3,844	3,200
Roisin Smith	Depute Convener of Children, Families and Communities Committee, Depute Convener of Licensing Committee (from 10 July 2023), Depute Convener of Children & Families Services Committee (to 9 July 2023)	3.2	0.7	-	-	3,844	3,572
Siobhan Tolland	Depute Convener of Fair Work, Economic Growth and Infrastructure Committee (from 10 July 2023), Depute Convener of Planning Committee (from 24 May 2022 to 9 July 2023)	0.9	0.5	-	-	3,844	3,200
Steven Rome	Convener of Fair Work, Economic Growth and Infrastructure Committee (from 10 July 2023), Depute Convener of City Development Committee (to 9 July 2023)	2.4	0.7	-	-	4,348	3,572
Stewart Hunter	Convener of Children, Families and Communities Committee (from 10 July 2023), Convener of Children & Families Services Committee (to 9 July 2023), Convener of Licensing Committee	8.7	1.1	2.2	0.1	4,538	4,218

Councillor Name	Responsibility	Pension as at 31 March 2024	Pension Difference from 31 March 2023	Lump Sum as at 31 March 2024	Lump Sum Difference from 31 March 2023	Pension Contribution 2023/2024	Pension Contribution 2022/2023
		£000	£000	£000	£000	£	£
Will Dawson	Convener of Planning Committee	8.9	1.1	2.2	0.1	4,538	4,218
Willie Sawers	Depute Convener of City Governance Committee (from 10 July 2023), Depute Convener of Policy & Resources Committee (to 9 July 2023)	8.9	1.1	2.2	0.1	4,538	4,218
<b>Total</b>		<b>80.9</b>	<b>15.4</b>	<b>11</b>	<b>0.5</b>	<b>67,550</b>	<b>57,653</b>

**TABLE 3 NOTES**

1. The Pension Contribution figures relate to the remuneration shown for the relevant persons in Table 1a.
2. Pension commenced during 2022/2023.
3. Pension value for 2023/2024 includes a transfer in respect of a previous post held

**TABLE 4 – SENIOR EMPLOYEES OF THE COUNCIL ACCRUED PENSION BENEFITS (subject to audit)**

Employee Name	Post Title	Pension as at 31 March 2024	Pension Difference from 31 March 2023	Lump Sum as at 31 March 2024	Lump Sum Difference from 31 March 2023	Pension Contribution 2023/2024	Pension Contribution 2022/2023
		£000	£000	£000	£000	£	£
Gregory Colgan	Chief Executive	41	6	-	-	28,908	26,996
Robert Emmott	Executive Director of Corporate Services and S95 Officer	61	7	79	5	23,079	21,765
Robin Presswood	Executive Director of City Development	59	7	65	4	23,079	21,765
Elaine Zwirlein	Executive Director of Neighbourhood Services (note 2)	76	8	115	7	23,079	21,765

Employee Name	Post Title	Pension as at 31 March 2024	Pension Difference from 31 March 2023	Lump Sum as at 31 March 2024	Lump Sum Difference from 31 March 2023	Pension Contribution 2023/2024	Pension Contribution 2022/2023
		£000	£000	£000	£000	£	£
Judy Dobbie	Director of Leisure and Culture Dundee	60	6	91	5	20,554	19,375
Diane McCulloch	Head of Health and Community Care, Dundee Health and Social Care Partnership (Chief Social Work Officer) (note 3)	60	6	90	5	18,291	17,246
Glyn Lloyd	Head of Children's and Community Justice Service (see note 3)	43	5	49	3	18,291	17,246
<b>Total</b>		<b>400</b>	<b>45</b>	<b>489</b>	<b>29</b>	<b>155,281</b>	<b>146,158</b>

**TABLE 4 NOTES**

1. Audrey May, Executive Director of Children and Families, has opted out of the Local Government Pension Scheme.
2. Elaine Zwirlein, Executive Director of Neighbourhood Services, retired on 31 March 2024.
3. Diane McCulloch retired on 30 April 2024 and was the Council's Chief Social Work Officer until 29 February 2024. Glyn Lloyd took over as Chief Social Work Officer from 1 March 2024.

**TABLE 5 – TERMINATION BENEFITS & EXIT PACKAGES (subject to audit)**

Exit Package Cost Band	Number of Compulsory Redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band (£000)	
	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024	2022/2023	2023/2024
£0 - £20,000	-	-	7	1	7	1	21	12
£20,001 - £40,000	-	-	-	-	-	-	-	-
£40,001 - £60,000	-	-	-	-	-	-	-	-
£60,001 - £80,000	-	-	-	-	-	-	-	-
£80,001 - £100,000	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>1</b>	<b>7</b>	<b>1</b>	<b>21</b>	<b>12</b>

**TABLE 5 NOTES**

1. The above table represents the actual costs incurred (as opposed to actuarial costs) of termination benefits associated with voluntary redundancy payments to employees who left during 2023/2024 and 2022/2023. Under the terms of the Council's severance schemes for non-teaching staff, employees can elect to receive a voluntary redundancy payment. During 2023/2024, 1 employee received voluntary redundancy payments (2022/2023: 7 employees) for which the Council incurred one-off redundancy costs of £0.012 m (2022/2023 £0.021m).



## The Council's Responsibilities

The Council is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs (section 95 of the Local Government (Scotland) Act 1973). In this authority, that officer is the Executive Director of Corporate Services.
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014, and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003).
- approve the Annual Accounts for signature.

I confirm that these Annual Accounts were approved for signature by the Scrutiny Committee at its meeting on 25 September 2024.

Signed on behalf of Dundee City Council



**Councillor Mark Flynn**  
**Leader of the Council**  
**25 September 2024**

## The Responsibilities of the Executive Director of Corporate Services

The Executive Director of Corporate Services is responsible for the preparation of the Council's annual accounts in accordance with proper practices as required by legislation and set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code of Practice').

In preparing the annual accounts, the Executive Director of Corporate Services has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with legislation;
- complied with the Code of Practice (in so far as it is compatible with legislation).

The Executive Director of Corporate Services has also:

- kept proper accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the financial statements give a true and fair view of the financial position of the local authority (and its group) at the reporting date and the transactions of the local authority (and its group) for the year ended 31 March 2024.



**Robert Emmott BSc, CPFA**  
**Executive Director of Corporate Services**  
**Dundee City Council**  
**25 September 2024**

The objective of the Expenditure and Funding Analysis is to demonstrate to council tax and rent payers how the funding available to the Council (ie government grants, rents, council tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by the Council in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the Council's services. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2022/2023				2023/2024		
Net Expenditure Chargeable to the General Fund and HRA Balances £000	Adjustments between the Funding and Accounting Basis (see below/MIRS) £000	Net Expenditure in the Comprehensive Income and Expenditure Statement £000		Net Expenditure Chargeable to the General Fund and HRA Balances £000	Adjustments between the Funding and Accounting Basis (see below/MIRS) £000	Net Expenditure in the Comprehensive Income and Expenditure Statement £000
184,099	10,439	194,538	Children & Families Services	196,928	926	197,854
100,041	5,942	105,983	Dundee Health & Social Care Partnership	103,862	(168)	103,694
22,202	59,484	81,686	City Development	25,861	50,465	76,326
20,339	6,039	26,378	Neighbourhood Services	25,806	1,550	27,356
14,050	434	14,484	Chief Executive	15,700	27	15,727
35,087	7,382	42,469	Corporate Services	32,709	3,117	35,826
1,157	2,373	3,530	Construction	73	(168)	(95)
(1,533)	9,016	7,483	Housing Revenue Account	4,075	16,180	20,255
422	-	422	Discretionary NDR Relief	497	-	497
1,021	-	1,021	Tayside Valuation Joint Board	802	-	802
(21)	2,424	2,403	Miscellaneous Items	4,170	(338)	3,832
376,864	103,533	480,397	<b>Cost Of Services</b>	410,483	71,591	482,074
(373,032)	(24,411)	(397,443)	Other Income and Expenditure	(428,296)	4,184	(424,112)
3,832	79,122	82,954	<b>(Surplus) or Deficit on Provision of Services</b>	<b>(17,813)</b>	<b>75,775</b>	<b>57,962</b>
61,313			<b>Opening General Fund and HRA Balance</b>	(56,647)		
(3,832)			<b>Add (Surplus) / Deficit on General Fund and HRA Balance in Year</b>	(17,813)		
(834)			<b>Transfers to / (from) Other Reserves</b>	(3,271)		
56,647			<b>Closing General Fund and HRA Balance at 31 March *</b>	<b>(77,731)</b>		

\* For a split of this balance between the General Fund and the HRA - see the Movement in Reserves Statement

**Expenditure and Funding Analysis (cont)**

This analysis provides a reconciliation of the main adjustments to Net Expenditure Chargeable to the General Reserve to arrive at the amounts in the Comprehensive Income and Expenditure Statement. The relevant transfers between reserves are explained in the Movement in Reserves Statement.

**Adjustments between Funding and Accounting Basis**

2022/2023				2023/2024				
Adjustments for Capital Purposes (Note 1) £000	Net change for the Pensions Adjustments (Note 2) £000	Other Differences (Note 3) £000	Total Adjustments £000	Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments for Capital Purposes (Note 1) £000	Net change for the Pensions Adjustments (Note 2) £000	Other Differences (Note 3) £000	Total Adjustments £000
3	10,167	269	10,439	Children & Families Services	-	651	275	926
-	6,565	(623)	5,942	Dundee Health & Social Care Partnership	-	489	(657)	(168)
<b>57,965</b>	2,770	(1,251)	59,484	City Development	52,354	208	(2,097)	50,465
<b>2,019</b>	4,441	(421)	6,039	Neighbourhood Services	1,364	333	(147)	1,550
-	432	2	434	Chief Executive	-	34	(7)	27
<b>2,077</b>	5,371	(66)	7,382	Corporate Services	2,622	503	(8)	3,117
-	2,809	(436)	2,373	Construction	-	203	(371)	(168)
<b>14,977</b>	944	(6,905)	9,016	Housing Revenue Account	22,880	75	(6,775)	16,180
-	-	2,424	2,424	Miscellaneous Items	-	(2,585)	2,247	(338)
77,041	<b>33,499</b>	<b>(7,007)</b>	<b>103,533</b>	<b>Cost Of Services</b>	<b>79,220</b>	<b>(89)</b>	<b>(7,540)</b>	<b>71,591</b>
<b>(33,039)</b>	1,794	6,834	(24,411)	<b>Other income and expenditure from the Expenditure and Funding Analysis</b>	(1,739)	(1,499)	7,422	4,184
44,002	<b>35,293</b>	<b>(173)</b>	<b>79,122</b>	<b>Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services</b>	<b>77,481</b>	<b>(1,588)</b>	<b>(118)</b>	<b>75,775</b>

**Notes**

- 1) Adjustments for capital purposes - this column adds in depreciation and impairment and revaluation gains and losses in the services line and for:

**Other operating expenditure** - adjustments for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.

**Financing and investment income and expenditure** - the statutory charges for capital financing ie loan repayments and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.

**Taxation and non-specific grant income and expenditure** - capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non-Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

- 2) Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

For **services** this represents the removal of the employer pension contributions made by the Council as allowed by statute and the replacement with current service costs and past service costs.

For **Financing and investment income and expenditure** - the net interest on the defined benefit liability is charged to the CIES.

- 3) Other differences between amounts debited / credited to the Comprehensive Income and Expenditure Statement and amounts payable /receivable to be recognised under statute:

For **services** this represents the inclusion of a charge for short-term accumulating compensating absences, mainly relating to accrued annual leave entitlement. Allocations of insurance costs and impairment allowances on trade debtors have been included.

For **Financing and investment income and expenditure** - the other differences column recognises adjustments to the General Fund for the re-measurement of the revenue costs / income associated with financial instruments.

For **Financing and investment income and expenditure** - the other differences column recognises interest payable / receivable on the Housing Revenue Account being reclassified as a corporate cost.

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation or rents. Councils raise taxation and rents to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

2022/2023				2023/2024		
Gross Expend £000	Gross Income £000	Net Expend / (Income) £000		Gross Expend £000	Gross Income £000	Net Expend / (Income) £000
237,509	(42,971)	194,538	Children & Families Services	238,568	(40,714)	197,854
259,968	(153,985)	105,983	Dundee Health & Social Care Partnership	258,180	(154,486)	103,694
105,233	(23,547)	81,686	City Development	103,803	(27,477)	76,326
37,290	(10,912)	26,378	Neighbourhood Services	39,426	(12,070)	27,356
16,725	(2,241)	14,484	Chief Executive	17,920	(2,193)	15,727
94,422	(51,953)	42,469	Corporate Services	87,483	(51,657)	35,826
12,117	(8,587)	3,530	Construction	6,458	(6,553)	(95)
65,614	(58,131)	7,483	Housing Revenue Account	78,024	(57,769)	20,255
422	-	422	Discretionary NDR Relief	497	-	497
1,021	-	1,021	Tayside Valuation Joint Board	802	-	802
3,099	(696)	2,403	Miscellaneous Items	5,222	(1,390)	3,832
<b>833,420</b>	<b>(353,023)</b>	<b>480,397</b>	<b>Cost Of Services</b>	<b>836,383</b>	<b>(354,309)</b>	<b>482,074</b>
		671	Other Operating Expenditure (note 5)			(289)
		31,576	Financing and Investment Income and Expenditure (note 6)			30,006
		(429,690)	Taxation and Non-Specific Grant Income (note 7)			(453,829)
		<b>82,954</b>	<b>Deficit on Provision of Services</b>			<b>57,962</b>
		(245,890)	(Surplus) or Deficit on revaluation of non-current assets			(76,629)
		2,102	Impairment losses on non-current assets charged to the Revaluation Reserve			1,978
		460	(Surplus) or Deficit on financial assets measured at fair value through other comprehensive income			(120)
		(71,005)	Remeasurements of the net defined benefit liability (asset)			2,606
		<b>(314,333)</b>	<b>Other Comprehensive (Income) / Expenditure</b>			<b>(72,165)</b>
		<b>(231,379)</b>	<b>Total Comprehensive (Income) / Expenditure</b>			<b>(14,203)</b>

**Movement in Reserves Statement**

This statement shows the movement from the start of the year to the end on the different reserves held by the Council, analysed into ‘usable reserves’ (ie those that can be applied to fund expenditure or reduce local taxation) and other ‘unusable reserves’. The Movement in Reserves Statement shows how the movements in year of the Council’s reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax [or rents] for the year. The Net Increase/Decrease line shows the statutory General Fund Balance and Housing Revenue Account Balance movements in the year following those adjustments.

2022/2023	Revenue Reserves				Capital Reserves		Total Usable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
	General Fund Balance £000	HRA Balance £000	Renewal & Repair Fund £000	Insurance Fund £000	Capital Grants & Receipts Unapplied Account £000	Capital Fund £000			
<b>Balance at 31 March 2022 brought forward</b>	<b>(61,313)</b>	-	<b>(13,170)</b>	<b>(1,458)</b>	<b>(1,714)</b>	<b>(3,636)</b>	<b>(81,291)</b>	<b>(745,809)</b>	<b>(827,100)</b>
<b>Movement in Reserves during 2022/2023</b>									
Total Comprehensive Income & Expenditure	69,066	13,888	-	-	-	-	<b>82,954</b>	(314,333)	<b>(231,379)</b>
Adjustments to Usable Reserves Permitted by Accounting Standards	(12,538)	(13,865)	-	-	-	-	<b>(26,403)</b>	26,403	-
Adjustments Between Accounting Basis & Funding Basis Under Regulations (note 9)	(51,163)	(1,556)	-	-	339	1,005	<b>(51,375)</b>	51,375	-
<b>Net (Increase)/ Decrease before Transfers to Earmarked Reserves</b>	<b>5,365</b>	<b>(1,533)</b>	-	-	<b>339</b>	<b>1,005</b>	<b>5,176</b>	<b>(236,555)</b>	<b>(231,379)</b>
Transfers to/(from) Other Statutory Reserves	(699)	1,533	(1,589)	814	-	(59)	-	-	-
<b>(Increase)/ Decrease in 2022/2023</b>	<b>4,666</b>	-	<b>(1,589)</b>	<b>814</b>	<b>339</b>	<b>946</b>	<b>5,176</b>	<b>(236,555)</b>	<b>(231,379)</b>
<b>Balance at 31 March 2023 carried forward</b>	<b>(56,647)</b>	-	<b>(14,759)</b>	<b>(644)</b>	<b>(1,375)</b>	<b>(2,690)</b>	<b>(76,115)</b>	<b>(982,364)</b>	<b>(1,058,479)</b>

2023/2024	<u>Revenue Reserves</u>				<u>Capital Reserves</u>		<b>Total Usable Reserves</b> £000	Unusable Reserves £000	<b>Total Authority Reserves</b> £000
	General Fund Balance £000	HRA Balance £000	Renewal & Repair Fund £000	Insurance Fund £000	Capital Grants & Receipts Unapplied Account £000	Capital Fund £000			
<b>Balance at 31 March 2023 brought forward</b>	<b>(56,647)</b>	-	<b>(14,759)</b>	<b>(644)</b>	<b>(1,375)</b>	<b>(2,690)</b>	<b>(76,115)</b>	<b>(982,364)</b>	<b>(1,058,479)</b>
<b>Movement in Reserves during 2023/2024</b>									
Total Comprehensive Income & Expenditure	32,405	25,557	-	-	-	-	<b>57,962</b>	(72,165)	<b>(14,203)</b>
Adjustments to Usable Reserves Permitted by Accounting Standards	(20,784)	(13,831)	-	-	-	-	<b>(34,615)</b>	34,615	-
Adjustments Between Accounting Basis & Funding Basis Under Regulations (note 9)	(33,509)	(7,651)	-	-	1,021	657	<b>(39,482)</b>	39,482	-
<b>Net (Increase)/ Decrease before Transfers to Earmarked Reserves</b>	<b>(21,888)</b>	<b>4,075</b>	-	-	<b>1,021</b>	<b>657</b>	<b>(16,135)</b>	<b>1,932</b>	<b>(14,203)</b>
Transfers to/(from) Other Statutory Reserves	804	(4,075)	3,933	(548)	-	(114)	-	-	-
<b>(Increase)/ Decrease in 2023/2024</b>	<b>(21,084)</b>	-	<b>3,933</b>	<b>( 548)</b>	<b>1,021</b>	<b>543</b>	<b>(16,135)</b>	<b>1,932</b>	<b>(14,203)</b>
<b>Balance at 31 March 2024 carried forward</b>	<b>(77,731)</b>	-	<b>(10,826)</b>	<b>(1,192)</b>	<b>( 354)</b>	<b>(2,147)</b>	<b>(92,250)</b>	<b>(980,432)</b>	<b>(1,072,682)</b>

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Council. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council. Reserves are reported in two categories. The first category is usable reserves, i.e. those that the Council may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Fund that may only be used to fund capital expenditure or repay debt). The second category is those that the Council is not able to use to provide services. This category includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

<b>31 March 2023 £000</b>			<b>31 March 2024 £000</b>
1,773,603	Property, Plant & Equipment	27	1,841,102
20,942	Heritage Assets	41	20,792
13,073	Investment Property	24	13,073
2,540	Intangible Assets	25	2,759
29	Long Term Investments	37	29
10,321	Long Term Debtors	37/44	11,095
<b>1,820,508</b>	<b>Long Term Assets</b>		<b>1,888,850</b>
3,132	Short Term Investments	37	3,252
1,075	Inventories	-	1,102
63,271	Short Term Debtors	31	58,378
12,689	Cash and Cash Equivalents	16	1,626
5,893	Assets held for sale	30	4,493
<b>86,060</b>	<b>Current Assets</b>		<b>68,851</b>
(16,010)	Short Term Borrowing	37	(95,097)
(120,116)	Short Term Creditors	32/37	(98,861)
<b>(136,126)</b>	<b>Current Liabilities</b>		<b>(193,958)</b>
(5,681)	Provisions	33	(4,297)
(507,782)	Long Term Borrowing	37	(494,522)
(31,203)	Pension Liability	12/20	(32,221)
(159,196)	Other Long Term Liabilities	43	(153,479)
(8,101)	Grants Receipts in Advance	36	(6,542)
<b>(711,963)</b>	<b>Long Term Liabilities</b>		<b>(691,061)</b>
<b>1,058,479</b>	<b>Net Assets</b>		<b>1,072,682</b>
76,115	Usable Reserves	11	92,250
982,364	Unusable Reserves	12	980,432
<b>1,058,479</b>	<b>Total Reserves</b>		<b>1,072,682</b>



The unaudited accounts were authorised for issue on 26 June 2024 and the audited accounts were authorised for issue on 25 September 2024 and signed on their behalf by:-

**Robert Emmott BSc, CPFA**  
**Executive Director of Corporate Services**  
**Dundee City Council**

The notes on pages 57 to 123 form part of the financial statements.



The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council are funded by way of taxation and grant income or from the recipients of services provided by the Council. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Council's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Council.

<b>2022/2023</b>		<b>2023/2024</b>
<b>£000</b>		<b>£000</b>
<b>82,954</b>	<b>Net deficit on the provision of services</b>	<b>57,963</b>
(137,973)	Adjust net (surplus) on the provision of services for non-cash movements	(70,514)
3,077	Adjust for items included in the net (surplus) or deficit on the provision of services that are investing and financing activities	2,356
(51,942)	Net cash flows from Operating Activities	<b>(10,195)</b>
44,947	Investing Activities (note 14)	82,125
31,147	Financing Activities (note 15)	(60,867)
<b>24,152</b>	<b>Net (increase)/decrease in cash and cash equivalents</b>	<b>11,063</b>
36,841	Cash and cash equivalents at the beginning of the reporting period	12,689
<b>12,689</b>	<b>Cash and cash equivalents at the end of the reporting period (note 16)</b>	<b>1,626</b>

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**1 Accounting Policies****A. General Principles**

The Annual Accounts summarise the Council's transactions for the 2023/24 financial year and its position at the year-end of 31 March 2024. The Council is required to prepare Annual Accounts by The Local Authority Accounts (Scotland) Regulations 2014. Section 12 of the Local Government in Scotland Act 2003 requires that they be prepared in accordance with proper accounting practices. These practices under Section 21 of the 2003 Act primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 and the Service Reporting Code of Practice 2023/24, supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under Section 12 of the 2003 Act. The accounts have been prepared on a going concern basis. The accounting convention adopted in the Annual Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

**B. Accruals of Income and Expenditure**

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption; they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including those rendered by the Council's employees) are recorded as expenditure when the services are received, rather than when payments are made.
- Interest payable on borrowings and receivable on investments is accounted for on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

Where the Council is acting as an agent for another party (e.g. in the collection of Non-Domestic Rates, Scottish Water Charges etc), income and expenditure are recognised only to the extent that commission is receivable by the Council for the agency services rendered or the Council incurs expenses directly on its own behalf in rendering the services.

**C. Cash and Cash Equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents comprise short term lending that is repayable on demand or within 3 months of the Balance Sheet date and that is readily convertible to known amounts of cash with insignificant risk of change in value. In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Council's cash management.

**D. Changes in Accounting Policies and Estimates and Errors**

Changes in accounting policies are only made when required by proper accounting practices or when the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Council's financial position or financial performance. Where a change is made and it is material to the financial statements, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change. Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

**E. Charges to Revenue for Non-Current Assets**

Services are debited with the following amounts to record the cost of holding non-current assets during the year:

- depreciation attributable to the assets used by the relevant service
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off
- amortisation of intangible assets attributable to the service

The Council is not required to raise Council Tax to cover depreciation, revaluation and impairment losses or amortisation. However, it is required to make an annual provision from revenue to contribute towards the reduction in its overall borrowing requirement, equal to the Statutory Repayment of Loans Fund Advances. Depreciation (historic cost element), revaluation and impairment losses and amortisation are therefore replaced by the contribution in the General Fund Balance (the Statutory Repayment of Loans Fund Advances), by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two. The charge to services for the current value element of depreciation is offset by a transfer from the Revaluation Reserve in the Movement in Reserves Statement.

**F. Employee Benefits**Benefits Payable During Employment

Short-term employee benefits (those that fall due wholly within 12 months of the year-end), such as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (eg cars) for current employees, are recognised as an expense in the year in which employees render service to the Council. An accrual is made for the cost of holiday entitlements earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to Surplus or Deficit on the Provision of Services, but then the element relating to accrued holiday entitlements is reversed out through the Movement in Reserves Statement so that holiday entitlements are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy in exchange for those benefits and are charged on an accruals basis to the appropriate service segment or, where applicable, to a corporate service segment at the earlier of when the Council can no longer withdraw the offer of those benefits or when the Council recognises costs for a restructuring. Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post Employment Benefits

Employees of the Council are members of two separate pension schemes:

- the Local Government Pension Scheme (Tayside Pension Fund), a defined benefits scheme which is administered by the Council.
- the Teachers' Scheme, an unfunded scheme administered nationally by the Scottish Public Pensions Agency.

Both schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Council.

However, the arrangements for the teachers' scheme mean that liabilities for these benefits cannot be identified specifically to the Council. The scheme is therefore accounted for as if it were a defined contributions

scheme and no liability for future payments of benefits is recognised in the Balance Sheet. The Children & Families Service line in the Comprehensive Income and Expenditure Statement is charged with the employer's contributions payable to Teachers' Pensions in the year.

#### *The Local Government Pension Scheme*

The Local Government Scheme is accounted for as a defined benefits scheme:

- The liabilities of the Tayside Pension Fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method – ie an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc, and projections of earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate based on the indicative rate of return on high quality corporate bond, iBoxx AA rated over 15 year corporate bond index.

The assets of the Tayside Pension Fund attributable to the Council are included in the Balance Sheet at their fair value:

- quoted securities - current bid price
- unquoted securities - professional estimate
- unitised securities - current bid price
- property - market value

- The change in the net pensions liability is analysed into the following components:

#### *Service Cost* comprising:

- current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
- past service cost – the increase in liabilities arising as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years – debited to the Surplus/Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Miscellaneous Items.
- net interest on the net defined benefit liability/asset, ie net interest expense for the Council – the change during the period in the net defined benefit liability/asset that arises from the passage of time, charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability/asset at the beginning of the period, taking into account any changes in the net defined benefit liability/asset during the period as a result of contribution and benefit payments.

#### *Remeasurements* comprising:

- the return on plan assets – excluding amounts included in net interest on the net defined benefit liability/asset – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- contributions paid to the Tayside Pension Fund – cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

Should the Local Government Pension Scheme (Tayside Pension Fund) pension scheme move into a net asset position based on IAS19, the requirements of IFRIC14 (*IAS19- The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*) is applied using the key assumptions that fund population will remain stable, and that over the life of the fund service costs and future accruals (employer contributions) will apply.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are transfers to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact on the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

#### *Discretionary Benefits*

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

### **G. Events After the Reporting Period**

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Annual Accounts are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Annual Accounts are adjusted to reflect such events
- those that are indicative of conditions that arose after the reporting period – the Annual Accounts are not adjusted to reflect such events, but where a category of events would have a material effect disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Annual Accounts.

### **H. Financial Liabilities**

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised. For most of the borrowings that the Council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest) and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

Gains and losses on the repurchase or early settlement of borrowing are credited or debited accordingly to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement in the year of repurchase/settlement. However, where repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the General Fund Balance to be spread over future years. The Council has a policy of spreading the gain/loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

## I. Financial Assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cashflow characteristics. There are three main classes of financial assets measured at:

- amortised cost
- fair value through profit or loss
- fair value through other comprehensive income (FVOCI)

The authority's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest (i.e. where the cash flows do not take the form of a basic debt instrument).

### Financial Assets Measured at Amortised Cost

Financial assets measured at amortised cost are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the financial assets held by the Council, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement.

Any gains and losses that arise on the de-recognition of an asset are credited or debited accordingly to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

### Expected Credit Loss Model

The Council recognises expected credit losses on all of its financial assets held at amortised cost (or where relevant FVOCI), either on a 12-month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables (debtors) held by the Council. Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

### Financial Assets Measured at Fair Value Through Profit or Loss (FVPL)

Financial assets that are measured at FVPL are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arise in the Surplus or Deficit on the Provision of Services.

The fair value measurements of the financial assets are based on the following techniques:

- instruments with quoted market prices – the market price
- other instruments with fixed and determinable payments – discounted cash flow analysis

The inputs to the measurement techniques are categorised in accordance with the following three levels:

- Level 1 inputs – quoted prices (unadjusted) in active markets for identical assets that the Council can access at the measurement date.
- Level 2 inputs – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.
- Level 3 inputs – unobservable inputs for the asset.

Any gains and losses that arise on the derecognition of the asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

#### **J. Government Grants and Contributions**

Whether paid on account, by instalments or in arrears, government grants and third-party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- the Council will comply with the conditions attached to the payments, and
- the grants or contributions will be received

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Account until conditions attaching to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset in the form of the grant or contribution are required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor. Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors (Grant Receipts in Advance). When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants/contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement. Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants & Receipts Unapplied Account. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants & Receipts Unapplied Account are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

#### **K. Heritage Assets**

The Council's Heritage Assets, which are primarily held in the McManus Art Gallery and Museum and the Central Library, are held in support of the primary objective of increasing the knowledge, understanding and appreciation of the history of Dundee and the surrounding area. Heritage assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Council's accounting policies on property, plant and equipment. However, some of the measurement rules are relaxed in relation to heritage assets as detailed below. The accounting policies in relation to heritage assets are also presented below.

The Council's collections of heritage assets are accounted for as follows:

##### Museum and Art Gallery Collections

The collections of the McManus Art Gallery and Museum form the major part of the heritage assets held by the Council. These collections have been built up over a period of 150 years and are used for reference, research and education. Items recognised in the Balance Sheet, mainly relating to the Fine Art Collection, are reported at insurance valuation which is based on market values. The assets are deemed to have indeterminate lives and a high residual value; hence the Council does not consider it appropriate to charge depreciation.

##### Other Heritage Assets

The McKenzie Photographic Collection and the Desperate Dan statue, previously recognised in the Council's balance sheet as Community assets, have been reclassified as Heritage assets. These assets are held in the Balance Sheet at cost as the cost of obtaining valuations would be disproportionate in relation to the benefits to the users of the Council's financial statements. These assets are deemed to have indeterminate lives, hence the Council does not consider it appropriate to charge depreciation.

##### Heritage Assets Not Recognised in the Balance Sheet

In addition to the above, the Council holds heritage assets which, in light of the relaxation of measurement rules, are not recognised in the Balance Sheet. These include some collections in the Council's museums, galleries and libraries as well as civic regalia, statues, monuments, memorials, fountains and outdoor artworks at various locations throughout Dundee. The Council considers that, due to the diverse nature of the assets held and the lack of comparable values, the cost of obtaining valuations would be disproportionate in relation



to the benefits to the users of the Council's financial statements. As a result, fair value information is unavailable and cost information is also unknown. These assets are therefore not recognised in the Balance Sheet, however, detailed information regarding them is held on relevant databases.

#### Heritage Assets – Impairment

Whilst heritage assets are not revalued regularly, the carrying amounts of heritage assets are reviewed where there is evidence of impairment, for example where an item has suffered physical deterioration or breakage. Any impairment is recognised and measured in accordance with the Council's general policies on impairment.

#### **L. Interests in Companies and Other Entities**

The Council has material interests in companies and other entities that have the nature of subsidiaries, associates and joint ventures and require it to prepare group accounts. In the Council's own single-entity accounts, the interests in companies and other entities are recorded as financial assets at cost, less any provision for losses.

#### **M. Inventories and Long-Term Contracts**

Inventories are included in the Balance Sheet at the lower of cost and net realisable value. The cost of inventories is generally assigned using the weighted average costing formula. Where inventories are acquired through a non-exchange transaction, they are included in the Balance Sheet at their fair value at the date of acquisition. Where inventories are held for distribution at no charge or for a nominal charge, or for consumption in the production process of such goods, then their value is measured at the lower of cost or current replacement cost. Long-term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the consideration allocated to the performance obligations satisfied based on the goods or services transferred to the service recipient during the financial year.

#### **N. Investment Properties**

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale. Investment properties are measured initially at cost and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal. Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account.

#### **O. Leases**

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases. Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification. Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets. The Council currently has no assets acquired under finance leases or leased to third parties on finance lease. Accounting policies for operating leases are set out below.

#### The Council as Lessee

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefiting from use of the leased property, plant or equipment. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. if there is a rent-free period at the commencement of the lease).

Sale and Leaseback Transaction - where an analysis under SIC 27 (Standards Interpretation Committee 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease) indicates that the arrangement is not, in substance, a sale and leaseback but instead is a financing arrangement, the leasing requirements of the Code are not applied. Instead, the sale proceeds transferred are treated as the advance of a loan and the subsequent lease payments are treated as repayments of that loan. The loan is recognised and measured in accordance with IAS 39 Financial Instruments: Recognition and Measurement. The underlying asset is not derecognised by the seller/lessee.

#### The Council as Lessor

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet as a non-current asset and continues to be subject to depreciation, revaluation and impairment review, in accordance with the relevant accounting policies. Rental income is credited to the appropriate service line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (eg, there is a premium paid at the commencement of the lease). Any initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

#### **P. Overheads and Support Services**

The costs of overheads and support services are charged to service segments in accordance with the Council's arrangements for accountability and financial performance.

#### **Q. Property, Plant and Equipment**

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

#### Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

#### Measurement

Assets are initially measured at cost, comprising:

- the purchase price.
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of costs for dismantling and removing the item and restoring the site on which it is located.

The Council does not currently capitalise borrowing costs incurred whilst assets are under construction.

Assets are then carried in the Balance Sheet using the following measurement bases:

- community assets and assets under construction – historical cost.
- infrastructure and vehicles, plant & equipment – depreciated historical cost.
- council dwellings – current value, determined using the basis of existing use value for social housing (EUV - SH).
- surplus assets - the current value measurement base is fair value, estimated at highest and best use from a market participant's perspective.
- other land & buildings – current value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV). Where there is no market-based evidence of current value

because of the specialist nature of an asset, depreciated replacement cost is used as an estimate of current value.

Assets included in the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains would be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a revaluation or impairment loss previously charged to a service. Where decreases in value are identified, the revaluation loss is accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- where there is no balance in the Revaluation Reserve or insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

### Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall. Where impairment losses are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- where there is no balance in the Revaluation Reserve or insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

### Assets Held for Sale / Disposals

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any losses previously recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale; adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been reclassified as Held for Sale, and their recoverable amount at the date of the decision not to sell. Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account. Amounts received for disposals are categorised as capital receipts. Receipts are required to be credited to the Capital Fund, and can then only be used for new capital investment or set aside to reduce the Council's underlying need to borrow (the capital financing requirement).

Receipts are appropriated to the Fund from the General Fund Balance in the Movement in Reserves Statement. The written-off value of disposals is not a charge against Council Tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

### Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain Community Assets) and assets that are not yet available for use (ie, assets under construction).

Depreciation is calculated on the following bases:

- Council dwellings and other buildings – straight-line allocation over the useful life of the property as estimated by the valuer.
- vehicles, plant and equipment – straight line allocation over between 3 and 10 years.
- infrastructure – straight-line allocation over between 10 and 30 years.

Where an item of Property, Plant and Equipment has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately. Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the General Fund Balance in the Movement in Reserves Statement.

### Disposal and Derecognition of Infrastructure Assets

When a component of an infrastructure asset is disposed of or decommissioned, the carrying amount of the component in the Balance Sheet is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement, also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal).

The written-off amounts of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are transferred to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

Where any part of infrastructure assets are replaced, an adaptation provided in a separate update to the Code assumes that from the introduction of the IFRS based Code when parts of an asset are replaced or restored the carrying amount of the derecognised part will be zero because parts of infrastructure assets are rarely replaced before the part has been fully consumed.

## **R. Private Finance Initiative (PFI) and Similar Contracts**

PFI and similar contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. As the Council is deemed to control the services that are provided under its PFI schemes and as ownership of the property, plant and equipment will pass to the Council at the end of the contracts for no additional charge, the Council carries the assets used under the contracts on its Balance Sheet as part of Property, Plant and Equipment. The original recognition of these assets at fair value (based on the cost to purchase the property, plant and equipment) was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investment. Non-current assets recognised on the Balance Sheet are revalued and depreciated in the same way as property, plant and equipment owned by the Council.

The amounts payable to the PFI operators each year are analysed into five elements:

- fair value of the services received during the year – debited to the relevant service in the Comprehensive Income and Expenditure Statement.
- finance cost – an interest charge on the outstanding Balance Sheet liability, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

- contingent rent – increases in the amount to be paid for the property arising during the contract, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.
- payment towards liability – applied to write down the Balance Sheet liability towards the PFI operator (the profile of write-downs is calculated using the same principles as for a finance lease).
- lifecycle replacement costs – posted to the Balance Sheet as additions to Property, Plant and Equipment but determined as non-value adding.

### **Service Concession Arrangement flexibility application**

The Scottish Government's 2022 Resource Spending Review contained details of a Service Concession Arrangement (SCA) flexibility that related to the Council's PFI contracts. The flexibility permits councils to undertake internal accounting changes that extend the period over which the principal repayment of the unitary charge can be made which results in a one-off credit to the General Fund and ongoing annual savings for a period of time. In the remaining years following the end of the SCAs, the rescheduled debt repayments continue until the debt liability has been extinguished. The Statutory Regulation in relation to this matter, Local Government Finance Circular 10/2022 (FC 10/2022), was published in September 2022.

FC 10/2022 replaces the 2010 version that covered this area and permits the authority to apply a temporary flexibility for service concession arrangements entered prior to April 2022. The Circular sets out the accounting requirements and the options permitted for the recognition of repayments of the principal element of the lease component or the lease liability for the year and the temporary flexibility for SCAs entered prior to 1 April 2022.

The Council has applied the permitted change in the calculation of the statutory charge in 2023/24 and the adopted approach has been applied across all three such arrangements held by the Council in line with the key accounting principle of consistency.

The annual unitary charge will continue to be paid to the contractor over the contract period. The guidance applies to principal and not to interest, service charge costs or grant. These will continue to be accounted for over the contract period.

### **Annuity method for revised repayment of debt liability**

The recalculation of the debt liability charges applies the annuity method to calculate the revised repayments. This method best represents the consumption of the assets over their useful lives.

This methodology is applied within the Councils current Loans Fund repayment policy. The use of an annuity method for the writing down of the PPP debt liability therefore ensures a consistent approach for the writing down of all debt which is financing capital expenditure, in that:

- The annuity method provides a fairer charge than equal instalments as it takes account of the time value of money, whereby paying £100 in 10 years' time is less of a burden than paying £100 now.
- The schedule of charges produced by the annuity method thus results in a consistent charge over an asset's life, considering the real value of the amounts when they fall due.
- The annuity method is a prudent basis for providing for assets that provided a steady flow of benefits over their useful life.'

### **Useful Economic Life**

The asset lives used in the calculation is the agreed Useful Economic Life (UEL) as per the Council's fixed asset register for the respective assets. The overall UEL for SCA assets range from 40 to 60 years.

### **Capital Financing Requirement**

The reprofiling of the debt liability repayments over the life of the asset rather than the life of the contract increases the Capital Financing Requirement (CFR) as at 1 April 2023. The increase in the CFR will continue to be reduced by the revised repayments after each SCA contract has expired until the end of the revised period.

**Accounting Treatment**

The statutory adjustment can be made as at 1 April in the year the revised repayments are applied. This option has been exercised in 2023/24 and has been applied retrospectively. Being a cumulative statutory adjustment there is no prior year restatement of statutory adjustments in the Annual Accounts. The statutory adjustment up to 31 March 2023 results in a retrospective debit to the Capital Adjustment account in 2023/24 with a corresponding credit in the Movement in Reserves Statement within the General Fund. Further in year annual reductions will be applied along similar lines as the retrospective adjustment until the end of the contract period for each of the three SCAs. Thereafter the revised charges will result in higher cost being charged to the General fund that the current repayment profile until the end of the UEL.

**S. Provisions, Contingent Liabilities and Contingent Assets**Provisions – General

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement when the Council has an obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service. Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the Balance Sheet but are disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent assets are not recognised in the Balance Sheet but are disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

**T. Reserves**

Reserves are created by transferring amounts out of the General Fund Balance. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus/Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then transferred back into the General Fund Balance so that there is no net charge against Council Tax for the expenditure. Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and these reserves do not represent usable resources for the Council. Further information on the Council's reserves is contained in notes 11 and 12.

**U. VAT**

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

**V. Intangible Assets**

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Council as a result of past events (eg software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Council. Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Council can be determined by reference to an active market. In practice, no intangible assets held by the Council meet this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. As asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and, for sale proceeds, to the Capital Receipts Reserve.

**W. Fair Value Measurement**

The Council measures some of its non-financial assets and some of its financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- a) in the principal market for the asset or liability, or
- b) in the absence of a principal market, in the most advantageous market for the asset or liability.

The Council measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. When measuring the fair value of a non-financial asset, the Council takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling to another market participant that would use the asset in its highest and best use.

The Council uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Council's financial statements are categorised within the fair value hierarchy, as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the Council can access at the measurement date
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - unobservable inputs for the asset or liability.

**2 Accounting Standards That Have Been Issued but Have Not Yet Been Adopted**

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. This applies to the adoption of the following new or amended standards within the 2024/2025 Code:

The Code requires implementation from 1 April 2024 and there is therefore no impact on the 2023/2024 financial statements.

- IFRS 16 Leases (mandatory adoption in 2024/2025)

In 2024/2025, the Council will apply IFRS 16 Leases as adopted by the Code of Accounting Practice. IFRS 16 will mean that the majority of leases where the Council act as lessee will come onto the balance sheet and lessor accounting is effectively unchanged.

The main impact of the new requirements is that, for arrangements previously accounted for as operating leases (i.e. without recognising the leased vehicles, plant, equipment, property and land as an asset and future rents as a liability), a right-of-use asset and a lease liability are to be brought into the balance sheet at 1 April 2024. Leases for items of low value and leases that expire on or before 31 March 2025 are exempt from the new arrangements.

IFRS 16 will be applied from 1 April 2024, with the cumulative effect recognised at 1 April 2024. This means that right-of-use assets and lease liabilities will have been calculated as if IFRS 16 had always applied but recognised in 2024/2025 and not by adjusting prior year figures.

As a lessee, the Council has previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Authority. Under IFRS 16, the Council recognises right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet.

The Council has decided to apply recognition exemptions to short-term leases and has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a term of 12 months or less and leases of low value assets (value when new of less than £6,000). The Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

It is anticipated that the application of the Code's adaptation of IFRS16 will result in the following additions to the balance sheet:

- £2.376m Property, plant and equipment – land and buildings (right-of-use assets)
- (£0.632m) Current creditors (lease liabilities)
- (£1.744m) Non-Current creditors (lease liabilities).

### 3 Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Annual Accounts are:

- The Council is deemed to control the services provided under the PPP contract with Discovery Education PLC to construct, maintain and facilities-manage six new primary schools and two new secondary schools in the city. The Council is also deemed to control the residual value of the schools at the end of the agreement. The accounting policies for PFI schemes and similar contracts have been applied to the arrangement and the schools (valued at £156m as at 31 March 2024) are recognised as Property, Plant and Equipment on the Council's Balance Sheet.
- The Council is deemed to control the services provided under the DBFM contract with Hub East Central (Baldragon) Limited to construct, maintain and facilities-manage a new secondary school in the city. The Council is also deemed to control the residual value of the school at the end of the agreement. The accounting policies for PFI schemes and similar contracts have been applied to the arrangement and the school (valued at £41m as at 31 March 2024) is recognised as Property, Plant and Equipment on the Council's Balance Sheet.
- The Council is deemed to control the services provided under the long term waste disposal contract with MVV Environment Baldovie Limited (MEB). The existing DERL plant is being utilised by MEB to deliver the contractual requirements alongside the new plant constructed on an adjacent site. The new plant was constructed by MEB and will be maintained by them. The Council is also deemed to control the residual value of the new plant at the end of the contract. The accounting policies for PFI schemes and similar contracts have been applied to the arrangement and the Council's share of the plant (valued at £59m as at 31 March 2024) is recognised as Property, Plant and Equipment on the Council's Balance Sheet.
- During 2019/2020, Dundee House (an administrative building) was sold to Canada Life with the Council then entering into a 40 year lease with Canada Life for the continued occupation of Dundee House. The sale price was £23.8m. In accounting terms, the transaction has been treated as a financing arrangement, with the asset continuing to be recognised in the Council's balance sheet and a long-term liability equivalent to the sale price less financing repayments also being recognised.
- Group accounts boundary: the basis for inclusion of group entities into the Group Accounts is disclosed in Note 4 to the Group Accounts.
- Should the Local Government Pension Scheme (Tayside Pension Fund) pension scheme move into a net asset position based on IAS19, the requirements of IFRIC14 (*IAS19- The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*) is applied using the key



assumptions that fund population will remain stable, and that over the life of the fund service costs and future accruals (employer contributions) will apply.

- The Council contributes to the Teachers' Scheme, an unfunded scheme administered nationally by the Scottish Public Pensions Agency. This scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Council. However, the arrangements for the teachers' scheme mean that liabilities for these benefits cannot be identified specifically to the Council. The scheme is therefore accounted for as if it were a defined contributions scheme and no liability for future payments of benefits is recognised in the Balance Sheet.

#### 4 Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The Annual Accounts contain estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet at 31 March 2023 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Property, Plant and Equipment	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Council will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. It is estimated that the annual depreciation charge for buildings would increase by £2.8m for every year that useful lives had to be reduced.
Pensions Liability/ Asset	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.	The effects on the net pensions liability of changes in individual assumptions can be measured. For instance, a 0.1% increase in the discount rate assumption would result in a decrease in the pension liability of £0.9m. However, the assumptions interact in complex ways. During 2023/2024, the Council's actuaries advised that the net pensions liability had increased by £1.0m. The increase was due to a number of factors: changes in actuarial financial assumptions, experience losses on the defined benefit obligation, return on plan assets and the difference between Current Service Cost and the employer's pension contributions to the scheme for the year.
Debtors /Non-collection Provisions	At 31 March 2024, the Council has a gross balance for short-term sundry debtors of £102.329m, including local taxation and housing rent debtors. A review of the different categories of debt has concluded that an overall allowance for impairment of £43.951m is appropriate. However, while representing our best estimate, in the current economic climate it is not certain that these allowances would be sufficient. Detailed information on debtor impairment allowances is provided in note 33.	If collection rates were to deteriorate, an increase in the amount provided for doubtful debts would require to be charged.

**5 Comprehensive Income and Expenditure Statement – Other Operating Expenditure**

<b>2022/2023</b>		<b>2023/2024</b>
<b>£000</b>		<b>£000</b>
(551)	(Gains) / losses on the disposal of non current assets	(539)
1,222	Impairment of Assets Held for Sale	250
<b>671</b>	<b>Total</b>	<b>(289)</b>

**6 Comprehensive Income and Expenditure Statement – Financing and Investment Income and Expenditure**

<b>2022/2023</b>		<b>2023/2024</b>
<b>£000</b>		<b>£000</b>
32,434	Interest payable and similar charges	34,063
1,794	Net interest on the net defined benefit liability (asset)	(1,499)
(1,562)	Interest receivable and similar income	(1,521)
500	Changes in the fair value of investment properties	0
(1,382)	Net income from investment properties	(1,169)
(297)	Share of Tayside Contracts surplus	379
(1,078)	Scottish Government contribution to DBFM interest costs	(1,062)
(847)	SG contribution to DBFM loan repayment costs	(864)
1,133	Studio Dundee write off costs	0
881	Trade Debtors Impairment Allowance	1,679
<b>31,576</b>	<b>Total</b>	<b>30,006</b>

**7 Comprehensive Income and Expenditure Statement – Taxation and Non-Specific Grant Income**

<b>2022/2023</b>		<b>2023/2024</b>
<b>£000</b>		<b>£000</b>
(60,970)	Council Tax Income	(64,124)
(35,581)	Contribution from national non domestic rates pool	(73,704)
(310,066)	Non-ring-fenced government grants	(277,744)
(23,073)	Capital grants and contributions	(38,257)
<b>(429,690)</b>	<b>Total</b>	<b>(453,829)</b>

Non-domestic rate income as reported under taxation and non-specific grant income and expenditure comprises income assigned by the Scottish Government from the national non-domestic rates pool, as well as non-domestic rate income which is not submitted to the national pool but is retained by the Council.

	<b>31 March 2023</b>	<b>31 March 2024</b>
	<b>£000</b>	<b>£000</b>
Distribution from non-domestic rate pool	35,496	73,704
Non-domestic rate income retained by authority (BRIS)	85	-
<b>Non-domestic rate income credited to the comprehensive income and expenditure statement</b>	<b>35,581</b>	<b>73,704</b>

**8 Subjective Analysis of Surplus or Deficit on the Provision of Services**

<b>2022/2023</b>		<b>2023/2024</b>
<b>£000</b>		<b>£000</b>
317,319	Employee benefit expenses	303,255
426,299	Other service expenses	437,370
3,203	Support service recharges	3,095
91,108	Depreciation, amortisation and impairment	92,290

32,434	Interest payments	34,063
1,021	Precepts and levies	802
<b>871,384</b>	<b>Total Expenditure</b>	<b>870,875</b>
(196,408)	Fees, charges and other service income	(206,340)
(2,944)	Interest and investment income	(2,690)
(60,970)	Income from Council Tax	(64,124)
(527,557)	Government grants and contributions	(539,219)
(551)	Gain on disposal of non-current assets	(539)
<b>(788,430)</b>	<b>Total Income</b>	<b>(812,912)</b>
<b>82,954</b>	<b>(Surplus) or Deficit on the Provision of Services</b>	<b>57,963</b>

**9 Movement in Reserves Statement – Adjustments between Accounting Basis and Funding Basis under Regulations**

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Council in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

2022/2023	Usable Reserves			Capital Grants & Receipts Unapplied Account £000	Movement in Unusable Reserves £000	Total 2022/2023 £000
	General Fund Balance £000	HRA Balance £000	Capital Fund £000			
<b>Adjustments involving the Capital Adjustment Account:</b>						
<u>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</u>						
Charges for depreciation and impairment of non-current assets	(49,123)	(13,457)	-	-	62,580	-
Movements in the market value of Investments Properties and Assets Held for Sale	(2,136)	414	-	-	1,722	-
Capital grants and contributions that have been applied to capital financing	22,617	-	-	-	(22,617)	-
Revenue expenditure funded from capital under statute	(404)	-	-	-	404	-
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income & Expenditure Statement	535	16	-	-	( 551)	-
<u>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:</u>						
Statutory provision for the financing of capital investment	8,526	12,345	-	-	(20,871)	-
Capital expenditure charged against the General Fund and HRA balances	2,611	-	-	-	(2,611)	-
<b>Adjustments involving the Capital Fund:</b>						
Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement and use of capital receipts to fund qualifying expenditure on service transformation or service redesign projects in 2022/2023	-	-	1,005	-	(1,005)	-

9 Movement in Reserves Statement – Adjustments between Accounting Basis and Funding Basis under Regulations – continued

2022/2023 (continued)	Usable Reserves			Capital Grants & Receipts Unapplied Account £000	Movement in Unusable Reserves £000	Total 2022/2023 £000
	General Fund Balance £000	HRA Balance £000	Capital Fund £000			
<b>Adjustments primarily involving the Capital Grants Unapplied Account:</b>						
Capital grants and contributions unapplied credited to CIES	456	-	-	(456)	-	-
Use of capital receipts to fund qualifying expenditure on service transformation or service redesign projects	-	-	-	-	-	-
Capital grants and contributions applied to finance new capital expenditure	-	-	-	795	( 795)	-
<b>Adjustments involving the Financial Instruments Adjustment Account:</b>						
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	224	97	-	-	( 321)	-
<b>Adjustments involving the Pensions Reserve:</b>						
Reversal of items relating to post-employment benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement (see note 20)	(59,731)	(1,795)	-	-	61,526	-
Employer's pensions contributions & direct payments to pensioners payable in the year	25,442	791	-	-	(26,233)	-
<b>Adjustments involving the Employee Statutory Adjustment Account:</b>						
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(180)	33	-	-	147	-
<b>Total Adjustments 2022/2023</b>	<b>(51,163)</b>	<b>(1,556)</b>	<b>1,005</b>	<b>339</b>	<b>51,375</b>	<b>-</b>

9 Movement in Reserves Statement – Adjustments between Accounting Basis and Funding Basis under Regulations

2023/2024	Usable Reserves			Capital Grants & Receipts Unapplied Account £000	Movement in Unusable Reserves £000	Total 2023/2024 £000
	General Fund Balance £000	HRA Balance £000	Capital Fund £000			
<b>Adjustments involving the Capital Adjustment Account:</b>						
<u>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</u>						
Charges for depreciation and impairment of non-current assets	(35,047)	(21,869)	-	-	56,916	-
Movements in the market value of Investments Properties and Assets Held for Sale	(158)	(92)	-	-	250	-
Capital grants and contributions that have been applied to capital financing	36,718	1,531	(5,701)	-	(32,548)	-
Revenue expenditure funded from capital under statute	(507)	-	-	-	507	-
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income & Expenditure Statement	432	107	-	-	( 539)	-
<u>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:</u>						
Statutory provision for the financing of capital investment	9,881	12,370	-	-	(22,251)	-
Capital expenditure charged against the General Fund and HRA balances	2,836	-	-	-	(2,836)	-
Statutory repayment of debt (PPP) flexibility adjustment	(43,373)	-	-	-	43,373	-
<b>Adjustments involving the Capital Fund:</b>						
Capital grants allocation used to meet principal elements of loans fund repayments	(5,701)	-	5,701	-	-	-
Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement and use of capital receipts	-	-	(1,011)	-	1,011	-

9 Movement in Reserves Statement – Adjustments between Accounting Basis and Funding Basis under Regulations – continued

2023/2024 (continued)	Usable Reserves			Capital Grants & Receipts Unapplied Account £000	Movement in Unusable Reserves £000	Total 2023/2024 £000
	General Fund Balance £000	HRA Balance £000	Capital Fund £000			
Capital Fund applied to finance new capital expenditure	-	-	1,995	-	(1,995)	-
<b>Adjustments primarily involving the Capital Grants Unapplied Account:</b>						
Capital grants and contributions applied to finance new capital expenditure	7	-	(327)	1,021	(701)	-
<b>Adjustments involving the Financial Instruments Adjustment Account:</b>						
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	562	231	-	-	(793)	-
<b>Adjustments involving the Pensions Reserve:</b>						
Reversal of items relating to post-employment benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement (see note 20)	(26,020)	(799)	-	-	26,819	-
Employer's pensions contributions & direct payments to pensioners payable in the year	27,530	876	-	-	(28,406)	-
<b>Adjustments involving the Employee Statutory Adjustment Account:</b>						
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(669)	(6)	-	-	675	-
<b>Total Adjustments 2023/2024</b>	<b>(33,509)</b>	<b>(7,651)</b>	<b>657</b>	<b>1,021</b>	<b>(39,482)</b>	<b>-</b>

**10 Movement in Reserves Statement – Transfers to/from Earmarked Reserves**

This note sets out the amounts set aside from the General Fund balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure.

<b>2023/2024</b>	<b>Balance at 1 April 2023 £000</b>	<b>Transfers Out 2023/2024 £000</b>	<b>Transfers In 2023/2024 £000</b>	<b>Balance at 31 March 2024 £000</b>	<b>Purpose of the Earmarked Reserve</b>
<b>General Fund</b>					
Car Parking Balances	(360)	-	(237)	(597)	To fund future car parking projects
Second Homes etc Discount Reduction*	(2,545)	450	(460)	(2,555)	To fund new social housing
Organisational Change Fund	(2,532)	144	-	(2,388)	To fund service transformation initiatives
Budget Carry Forwards	(5,962)	2,916	(1,078)	(4,124)	To fund underspends carried forward from previous year
Covid Costs	(14,647)	11,897	-	(2,750)	To fund Covid-related costs and income shortfalls
Covid Recovery Fund	(1,280)	875	-	(405)	To fund Covid recovery initiatives
Service Change Fund	(5,000)	-	-	(5,000)	To fund service change initiatives
Dundee Partnership Festivals & Events Fund	(78)	-	-	(78)	To fund future events
Regional Performance Centre	(256)	-	(64)	(320)	To fund asset replacements
Inflationary pressures	(3,800)	3,800	-	-	Funded known inflationary pressures
Roof maintenance cost pressures	(3,707)	1,005	-	(2,702)	To fund additional roof maintenance cost pressures
Cost of Living pressures	-	300	(500)	(200)	To fund Cost of Living pressures
Scientific Services	(288)	288	-	-	Funded decrease in external financial contributions
Service concessions flexibility	-	3,600	(43,373)	(39,773)	To fund cost of unwinding service concessions flexibility over the life of the assets
Contribution to budget setting	(1,750)	1,750	(6,640)	(6,640)	To fund a contribution to 2023/24 revenue budget
Children Services pressures	(4,300)	4,300	-	-	Funded cost pressures in third party payments
Ash dieback	(411)	27	-	(384)	To fund removal of infected and dangerous ash trees
City events	(505)	505	-	-	Funded 2023/24 commitments
<b>Total - Earmarked Balances</b>	<b>(47,421)</b>	<b>31,857</b>	<b>(52,352)</b>	<b>(67,916)</b>	
Uncommitted General Fund Balances	(9,226)	-	(589)	(9,815)	To fund unforeseen / emergency expenditure
<b>Total - General Fund Balances</b>	<b>(56,647)</b>	<b>31,857</b>	<b>(52,941)</b>	<b>(77,731)</b>	



**10 Movement in Reserves Statement – Transfers to/from Earmarked Reserves (continued)**

This note sets out the amounts set aside from the General Fund balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure.

<b>2022/2023</b>	<b>Balance at 1 April 2022</b>	<b>Transfers Out 2022/2023</b>	<b>Transfers In 2022/2023</b>	<b>Balance at 31 March 2023</b>	<b>Purpose of the Earmarked Reserve</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	
<b>General Fund</b>					
Car Parking Balances	(144)	-	(216)	(360)	To fund future car parking projects
Second Homes etc Discount Reduction*	(2,112)	-	(433)	(2,545)	To fund new social housing
Organisational Change Fund	(2,659)	127	-	(2,532)	To fund service transformation initiatives
Budget Carry Forwards - Covid Funding	(4,390)	4,390	-	-	To fund underspends carried forward from previous year
Budget Carry Forwards - Other	(6,029)	6,029	(5,962)	(5,962)	To fund underspends carried forward from previous year
Covid Costs 2021-2024	(18,000)	3,353	-	(14,647)	To fund Covid-related costs and income shortfalls
Covid Recovery Fund	(3,000)	1,720	-	(1,280)	To fund Covid recovery initiatives
Service Change Fund	(5,000)	-	-	(5,000)	To fund service change initiatives
Dundee Partnership Festivals & Events Fund	(78)	-	-	(78)	To fund future events
Regional Performance Centre	(192)	-	(64)	(256)	To fund asset replacements
Inflationary pressures	(5,472)	3,800	(2,128)	(3,800)	To fund known inflationary pressures
Roof maintenance cost pressures	(4,400)	693	-	(3,707)	To fund additional roof maintenance cost pressures
Scientific Services	(288)	-	-	(288)	To fund decrease in external financial contributions
Local elections 2022	(237)	237	-	-	To fund local government elections 2022/23
Contribution to 2023/24 budget	-	-	(1,750)	(1,750)	To fund a contribution to 2023/24 revenue budget
Children Services pressures	-	-	(4,300)	(4,300)	To fund cost pressures in third party payments
Ash dieback	-	-	(411)	(411)	To fund removal of infected and dangerous ash trees
City events	-	-	(505)	(505)	To fund 2023/24 commitments
<b>Total - Earmarked Balances</b>	<b>(52,001)</b>	<b>20,349</b>	<b>(15,769)</b>	<b>(47,421)</b>	
Uncommitted General Fund Balances	(9,312)	86	-	(9,226)	To fund unforeseen / emergency expenditure
<b>Total - General Fund Balances</b>	<b>(61,313)</b>	<b>20,435</b>	<b>(15,769)</b>	<b>(56,647)</b>	

**Earmarked reserve for PFI Service Concession Arrangement Flexibilities**

In accordance with Accounting Policy R on page 63 and Finance Circular 10/2022, the Council has applied a permitted PFI Service Concession Arrangement (SCA) flexibility in financial year 2023/24 on a retrospective annuity basis to the three SCA’s currently in place.

By applying the flexibility, a one-off combined pre 2023/24 retrospective saving of £39.773m has been achieved with the resultant benefit added to Council earmarked revenue reserves. In addition to the one-off retrospective element, an in-year, budgeted, saving occurred in scheduled debt repayments in 2023/24, of £3.600m. Debt repayment savings will be generated until SCA contracts have been repaid, followed by statutory charges over the remaining lives of the assets. Over the full asset lives of the SCA’s the total repayment for the debt liability remains the same. Please refer to Note 29 iv for more details.

In order to ensure that the SCA flexibility being applied is prudent, sustainable, and affordable over the life of the assets, the Council will manage its effect and utilisation through an earmarked reserve specifically set up for this purpose. The earmarked reserve will be used to capture the benefits and costs arising from the flexibility and to ensure a smoothed and sustainable profile for budget-setting and long-term financial planning purposes.

	PFI SCA Earmarked reserve opening balance £000	PFI SCA flexibility (Note 29) £000	Planned use (smoothed profile) £000	PFI SCA Earmarked reserve closing balance £000
Pre 2023/24	-	(39,773)	-	(39,773)
Paid in 2023/24	(39,773)	(3,600)	3,600	(39,773)
Payable 2-5 years	(39,773)	(17,738)	16,804	(40,707)
Payable 6-10 years	(40,707)	(24,429)	17,051	(48,085)
Payable 11-15 years	(48,085)	(34,719)	12,222	(70,582)
Payable 16-20 years	(70,582)	(10,479)	7,392	(73,669)
Payable 21-25 years	(73,669)	5,048	2,563	(66,058)
Payable 26-30 years	(66,058)	25,009	(2,267)	(43,316)
Payable 31-35 years	(43,316)	34,163	(7,097)	(16,250)
Payable 36-40 years	(16,250)	34,702	(11,926)	6,526
Payable 41-45 years	6,526	24,615	(16,756)	14,385
Payable 46-50 years	14,385	7,201	(21,586)	-
<b>TOTAL</b>		<b>0</b>	<b>0</b>	

**11 Balance Sheet – Usable Reserves**

Movements in the Council's usable reserves are detailed in the Movement in Reserves Statement and notes 9 and 10 above.

**12 Balance Sheet – Unusable Reserves**

31 March 2023 £000		31 March 2024 £000
(784,139)	Revaluation Reserve	(822,620)
416	Financial Instruments Revaluation Reserve	296
(254,858)	Capital Adjustment Account	(215,219)
12,243	Financial Instruments Adjustment Account	11,444
31,203	Pensions Reserve	32,221
12,771	Employee Statutory Adjustment Account	13,446
<b>(982,364)</b>	<b>Total Unusable Reserves</b>	<b>(980,432)</b>

Revaluation Reserve

The Revaluation Reserve contains the gains made by the Council arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- re-valued downwards or impaired and the gains are lost
- used in the provision of services and the gains are consumed through depreciation, or
- disposed of and the gains are realised

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

<b>2022/2023</b> <b>£000</b>		<b>2023/2024</b> <b>£000</b>
<b>(567,151)</b>	<b>Balance at 1 April</b>	<b>(784,139)</b>
(256,584)	Upward revaluation of assets	(135,719)
12,796	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	61,074
(243,788)	Surplus or deficit on revaluation of non-current assets not posted to the Surplus/Deficit on the Provision of Services	(74,645)
26,403	Difference between fair value depreciation and historical cost depreciation	34,616
397	Accumulated gains on assets sold or scrapped	1,548
<b>(784,139)</b>	<b>Balance at 31 March</b>	<b>(822,620)</b>

Financial Instruments Revaluation Reserve

The Financial Instruments Revaluation Reserve contains the gains made by the Council arising from increases in the value of its investments that have quoted market prices or otherwise do not have fixed or determinable payments. The balance is reduced when investments with accumulated gains are:

- re-valued downwards or impaired and the gains are lost
- disposed of and the gains are realised

<b>2022/2023</b> <b>£000</b>		<b>2023/2024</b> <b>£000</b>
<b>(43)</b>	<b>Balance at 1 April</b>	<b>416</b>
-	Upward revaluation of investments	(120)
459	Downward revaluation of investments not charged to the Surplus/Deficit on the Provision of Services	-
459		(120)
<b>416</b>	<b>Balance at 31 March</b>	<b>296</b>

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and enhancement. The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Council. The Account also contains revaluation gains accumulated on Property,

Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains. Note 9 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

2022/2023 £000		2023/2024 £000
<b>(270,717)</b>	<b>Balance at 1 April</b>	<b>(254,858)</b>
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
62,580	Charges for depreciation and impairment of non current assets	56,916
404	Revenue expenditure funded from capital under statute	507
(551)	Amounts of non current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(539)
<b>62,433</b>		<b>56,884</b>
(397)	Adjusting amounts written out of the Revaluation Reserve	(1,548)
<b>62,036</b>	<b>Net written out amount of the cost of non-current assets consumed in the year</b>	<b>55,336</b>
	Capital financing applied in the year:	
(1,005)	Use of the Capital Fund to finance new capital expenditure	(1,995)
(22,617)	Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	(32,548)
(794)	Application of grants to capital financing from the Capital Grants Unapplied Account	(701)
	- Statutory repayment of debt (PPP) flexibility adjustment	43,373
(20,871)	Statutory provision for the financing of capital investment charged against the General Fund and HRA balances	(22,251)
	- Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement and use of capital receipts	1,011
(2,611)	Capital expenditure charged against the General Fund and HRA balances	(2,836)
<b>(47,898)</b>		<b>(15,947)</b>
1,721	Movements in the market value of Investment Properties and Assets Held for Sale debited or credited to the Comprehensive Income and Expenditure Statement	250
<b>(254,858)</b>	<b>Balance at 31 March</b>	<b>(215,219)</b>

**Financial Instruments Adjustment Account**

The Financial Instruments Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefiting from gains per statutory provisions. The Council uses the Account to manage premiums paid on the early redemption of loans. Premiums are debited to the Comprehensive Income and Expenditure Statement when they are incurred, but reversed out of the General Fund Balance to the Account in the Movement in Reserves Statement. Over time, the expense is posted back to the General Fund Balance in accordance with statutory arrangements for spreading the burden on Council Tax. In the Council's case, this period is the unexpired term that was outstanding on the loans when they were redeemed.

2022/2023 £000		2023/2024 £000
<b>12,563</b>	<b>Balance at 1 April</b>	<b>12,243</b>
(305)	Proportion of premiums incurred in previous financial years to be charged against the General Fund Balance in accordance with statutory requirements	(783)

(15)	Difference in interest on stepped rate loans (existing 31 March 2007)	(16)
(320)	Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	(799)
<b>12,243</b>	<b>Balance at 31 March</b>	<b>11,444</b>

The balance on the Financial Instruments Adjustment Account relates to:

31 March 2023 £000		31 March 2023 £000
10,775	Premiums and discounts associated with the refinancing of loans	10,469
1,462	Borrowing where the loan is a stepped interest rate loan	975
6	Loans to third parties granted at less than market interest rates	-
<b>12,243</b>		<b>11,444</b>

### Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Council makes employer's contributions to pensions funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2022/2023 £000		2023/2024 £000
<b>66,915</b>	<b>Balance at 1 April</b>	<b>31,203</b>
(70,933)	Actuarial (gains) or losses on pensions assets and liabilities	2,478
(72)	Difference between actuarial pensions contribution figure and actual pensions contribution figure	128
61,526	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	26,818
(26,233)	Employer's pensions contributions and direct payments to pensioners payable in the year	(28,406)
<b>31,203</b>	<b>Balance at 31 March</b>	<b>32,221</b>

### Employee Statutory Adjustment Account

The Employee Statutory Adjustment Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

2022/2023 £000		2023/2024 £000
<b>12,624</b>	<b>Balance at 1 April</b>	<b>12,771</b>
(12,624)	Settlement or cancellation of accrual made at the end of the preceding year	(12,771)
12,771	Amounts accrued at the end of the current year	13,446

147	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	675
<b>12,771</b>	<b>Balance at 31 March</b>	<b>13,446</b>

The above balance relates entirely to untaken holidays.

### 13 Cash Flow Statement – Operating Activities

The cash flows for operating activities include the following items:

2022/2023 £000		2023/2024 £000
(1,562)	Interest received	(1,521)
32,434	Interest paid	34,063
(136)	Dividends received	(138)

### 14 Cash Flow Statement – Investing Activities

2022/2023 £000		2023/2024 £000
48,170	Purchase of property, plant and equipment, investment property and intangible assets	83,534
1,691	Other payments for investing activities	2,628
(3,077)	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(2,356)
(1,837)	Other receipts from investing activities	(1,681)
<b>44,947</b>	<b>Net cash flows from investing activities</b>	<b>82,125</b>

### 15 Cash Flow Statement – Financing Activities

2022/2023 £000		2023/2024 £000
-	Cash receipts of short and long-term borrowing	(10,000)
-	Other Receipts from Financing Activities - Financing Arrangement	-
4,651	Cash payments for the reduction of the outstanding liabilities relating to finance leases and on-balance sheet PFI contracts	4,992
26,496	Repayments of short- and long-term borrowing	(55,859)
<b>31,147</b>	<b>Net cash flows from financing activities</b>	<b>(60,867)</b>

### Reconciliation of Liabilities Arising from Financing Activities

	1 April 2023 £000	Financing Cash Flows £000	Non-cash Acquisition £000	Changes Other £000	31 March 2024 £000
Long-term Borrowings	(507,782)	13,260	-	-	(494,522)
Short-term Borrowings	(16,010)	(79,119)	-	32	(95,097)
Financing Arrangement Liabilities	(22,518)	364	-	-	(22,154)
On Balance Sheet PFI Liabilities	(141,577)	4,628	-	-	(136,949)
<b>Total Liabilities from Financing</b>	<b>(687,887)</b>	<b>(60,867)</b>	<b>0</b>	<b>32</b>	<b>(748,722)</b>

**16 Cash Flow Statement – Cash and Cash Equivalents**

The balance of Cash and Cash Equivalents is made up of the following elements:

<b>31 March 2023</b>		<b>31 March 2024</b>
<b>£000</b>		<b>£000</b>
255	Cash held by the Council	249
(197)	Bank current accounts	(13,958)
12,631	Short-term deposits with banks and building societies	15,335
<b>12,689</b>	<b>Total cash and cash equivalents</b>	<b>1,626</b>

**17 Agency Services**

Within certain of the Council's services work is undertaken on behalf of other local authorities and other government bodies:

	<b>2022/2023</b>	<b>2022/2023</b>	<b>2023/2024</b>	<b>2023/2024</b>
	<b>(Income)</b>	<b>Expenditure</b>	<b>(Income)</b>	<b>Expenditure</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<u>The main items of income and related expenditure which are included in the Comprehensive Income and Expenditure Accounts are:</u>				
<b>Non-Covid:</b>				
Special Education services to Various Local Authorities	(1,253)	1,253	(1,309)	1,309
Scottish Water Income	(563)	-	(627)	-
Improvement Service - Implementation of National Entitlement Card	(1,944)	1,944	(1,572)	1,572
Storm Babet Flood Recovery Grant	-	-	(221)	175
<u>The main items of income and related expenditure which are not included in the Comprehensive Income and Expenditure Accounts are:</u>				
<b>Non-Covid:</b>				
Tay Cities Region Deal	(36,633)	36,633	(42,473)	42,473
SG - Cost of Living	(8,793)	8,793	-	-
<b>Covid:</b>				
SG - Business Support Grants	(195)	-	-	-
SG - Self Isolation Funding	(621)	621	-	-
	<b>(50,002)</b>	<b>49,244</b>	<b>(46,202)</b>	<b>45,529</b>

**18 External Audit Costs**

The Council has incurred the following costs in relation to the audit of the Annual Accounts, certification of grant claims and statutory inspections and to other non-audit services provided by the Council's external auditors:

	<b>2022/2023</b>	<b>2023/2024</b>
	<b>£000</b>	<b>£000</b>
Fees payable to Audit Scotland with regard to external audit services carried out by the appointed auditor for the year	419	444
<b>Total</b>	<b>419</b>	<b>444</b>

**19 Pensions Schemes Accounted for as Defined Contribution Schemes**

Teachers employed by the Council are members of the Teachers' Pension Scheme, administered by The Scottish Government. The Scheme provides teachers with specified benefits upon their retirement, and the

Council contributes towards the costs by making contributions based on a percentage of members' pensionable salaries.

The Scheme is technically a defined benefit scheme. However, the Scheme is unfunded and The Scottish Government uses a notional fund as the basis for calculating the employers' contribution rate paid by Councils. The Council is not able to identify its share of the underlying financial position and performance of the Scheme with sufficient reliability for accounting purposes. For the purposes of this Statement of Accounts, it is therefore accounted for on the same basis as a defined contribution scheme.

In 2023/24, the Council paid £24.2m to Teachers' Pensions in respect of teachers' retirement benefits, representing 31.8% of pensionable pay. The figures for 2022/23 were £22.5m and 31.5%. There were no contributions remaining payable at the year-end. The Council is responsible for the costs of any additional benefits awarded upon early retirement outside of the terms of the teachers' scheme. These costs are accounted for on a defined benefit basis and included in note 20.

The total contributions expected to be made to the Scottish Public Pensions Agency by the Council in the year to 31 March 2025 are £27.7m.

**20 Defined Benefit Pension Schemes**

The Tayside Pension Fund is administered by Dundee City Council within the Local Government Pension Scheme regulations.

Tayside Pension Fund is maintained for the benefit of its membership (including existing and deferred pensioners). This comprises the majority of Local Government employees within Dundee City Council, Perth and Kinross Council and Angus Council as well as 39 other bodies. Teachers are not included in the Scheme as they have a separate, nationally established, statutory arrangement.

The Local Government Pension Scheme is voluntary and is open to all employees of the Scheduled and Admitted Bodies. A list of Tayside Pension Fund's scheduled and admitted bodies is shown below.

The employers with active members as at 31 March 2024 were as follows -

**Scheduled Bodies (12)**

Angus Council	Scottish Police Authority (Civilians)
Dundee City Council	TACTRAN
Dundee and Angus College	Tayplan
Perth & Kinross Council	Tay Road Bridge Joint Board
Perth College	Tayside Contracts
Scottish Fire & Rescue Service (Civilians)	Tayside Valuation Joint Board

**Admitted Bodies (29)**

Abertay Housing Association	Leisure and Culture Dundee
Angus Alive	Live Active Ltd
Care Inspectorate	Mitie PFI Ltd
Culture Perth & Kinross	Montrose Links Trust
Dorward House	Montrose Port Authority
Dovetail Enterprises	Perth & Kinross Countryside Trust
Duncan of Jordanstone College of Art	Perth & Kinross Society for the Blind
Dundee Citizens' Advice Bureau	Perth Citizens' Advice Bureau
Dundee Contemporary Arts Ltd	Perth Theatre Co Ltd
Dundee Science Centre	Robertsons Facilities Management
Dundee Voluntary Action	Rossie Secure Accommodation Services
Forfar Day Care Committee	Scottish Social Services Council
Highlands & Islands Airports Ltd	Sodexo
idverde	University of Abertay, Dundee
	Xplore Dundee



Scheduled Bodies are those detailed in Schedule 2 Part 1 of the Regulations, with the most current being in the Local Government Pension Scheme (Scotland) Regulations 2014. For example, the bodies are Local Authorities, Colleges, Transport Authorities.

Admitted Bodies are those described in Schedule 2 Part 2 of the same Regulations and detail the type of bodies along with the requirements to be considered prior to admission (and the signing of the formal admission agreement).

Under the Local Government Pension Scheme (Administration) (Scotland) Regulations, there is a requirement for the Council to publish a pension fund annual report. The report covers, among other things, scheme governance, financial statements, governance compliance, membership statistics and information on investment and market valuations. The Audited Annual Report will be available on the [Pension Fund website](#).

**Participation in pension schemes**

As part of the terms and conditions of employment of its officers, the Council makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make payments and this needs to be disclosed at the time that employees earn their future entitlement.

The Council participates in the Local Government Pension Scheme (Tayside Pension Fund) - this is a funded defined benefit statutory scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pension’s liabilities with investment assets. The scheme currently provides benefits based on career average revalued salary and length of service on retirement.

The Council also has liabilities for any discretionary pension payments outside the main scheme. These benefits are an unfunded defined benefit arrangement and liabilities are recognised when awards are made. There is no investment assets built up to meet the pensions liabilities for discretionary awards, and cash has to be generated to meet actual pensions payments as they eventually fall due.

The principal risks to the authority of the scheme are the life expectancy assumptions, statutory changes to the scheme, structural changes (i.e. large-scale withdrawals of members from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund and Housing Revenue Account the amounts required by statute as described in the accounting policies section (please refer to Note 1 item F for further details).

**Transactions relating to post-employment benefits**

The Council recognises the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge required to be made against Council Tax is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

<b>Comprehensive Income and Expenditure Statement</b>	<b>Local Government Pension Scheme and Discretionary Benefits Arrangements</b>	
	<b>2022/2023</b>	<b>2023/2024</b>
	<b>£000</b>	<b>£000</b>
<i>Cost of Services:</i>		
<i>Service cost comprising:</i>		
● current service cost	59,732	28,167
● past service costs	-	-
● (Gains)/Losses on settlements and curtailments	-	150
<i>Financing and Investment Income and Expenditure</i>		
● net interest on the defined liability	1,400	(1,955)
● administration expenses	394	456

<i>Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services</i>	<b>61,526</b>	<b>26,818</b>
<i>Other Post Employment Benefit Charged to the CIES</i>		
<i>Remeasurement gains or (losses) against net defined benefit liability comprising:</i>		
• Return on plan assets (excluding the amount included in the net interest expense)	124,236	(136,993)
• Other actuarial gains / (losses) on assets: impact of asset ceiling	391,325	77,381
• Changes in demographic assumptions	-	(22,977)
• Changes in financial assumptions	(699,199)	(8,135)
• Experience loss / (gain) on defined benefit obligation	112,705	93,202
• Difference between actuarial pensions contribution figure and actual pensions contribution figure	(72)	128
<i>Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</i>	<b>(9,479)</b>	<b>29,424</b>
<i>Movement in Reserves Statement</i>		
• reversal of net charges made to the Surplus or Deficit for the Provision of Services for post employment benefits in accordance with the Code	(61,526)	(26,818)
<i>Actual amount charged against the General Fund Balance for pensions in the year:</i>		
• employers' contributions payable to scheme	26,233	28,406

**Pension Assets and Liabilities Recognised in the Balance Sheet**

The amount included in the Balance Sheet arising from the Council's obligation in respect of its defined benefit plan is as follows:

	<b>Year to 31 March 2023 £000</b>	<b>Year to 31 March 2024 £000</b>
Present value of defined benefit obligation	(1,182,275)	(1,283,527)
Fair value of plan assets	1,573,600	1,765,033
<b>Sub total</b>	<b>391,325</b>	<b>481,506</b>
IFRIC14 adjustment: effect of asset ceiling	(391,325)	(481,506)
Discretionary benefits arrangements	(31,203)	(32,221)
<b>Net asset/(liability) arising from defined benefit obligation</b>	<b>(31,203)</b>	<b>(32,221)</b>

**Reconciliation of opening and closing balances of the present value of the defined benefit obligation (scheme liabilities):**

	<b>Year to 31 March 2023 £000</b>	<b>Year to 31 March 2024 £000</b>
Opening defined benefit obligation	1,737,121	1,213,478
Current service cost	59,732	28,167
Interest cost	44,629	58,115
Contributions by scheme participants	8,778	10,040
Remeasurement (gains) and losses:		
• Changes in financial assumptions	(699,199)	(8,135)
• Changes in demographic assumptions	-	(22,977)
• Experience loss / (gain) on defined benefit obligation	112,705	93,202
Curtailments	-	150
Benefits paid	(47,751)	(53,557)
Past service costs	-	-
Unfunded pension payments	(2,537)	(2,735)
<b>Closing defined benefit obligation</b>	<b>1,213,478</b>	<b>1,315,748</b>

The Closing defined benefit obligation includes liabilities relating to discretionary benefits arrangements of £32.221m (31 March 2023: £31.203m).

**Reconciliation of the opening and closing balances of the fair value of the scheme (plan) assets**

	Year to 31 March 2023 £000	Year to 31 March 2024 £000
Opening fair value of fund assets	1,670,206	1,573,600
Interest	43,229	80,108
Remeasurement gains and (losses):		
• Return on plan assets, excluding the amount included in the net interest expense	(124,236)	136,993
• Other actuarial gains / (losses)	-	(7,238)
Employer contributions	26,305	28,278
Administration Expenses	(394)	(456)
Contributions by scheme participants	8,778	10,040
Benefits paid	(50,288)	(56,292)
<b>Closing fair value of fund assets</b>	<b>1,573,600</b>	<b>1,765,033</b>
Effect of asset ceiling	(391,325)	(481,506)
<b>Adjusted closing fair value of fund assets</b>	<b>1,182,275</b>	<b>1,283,527</b>

**IFRIC14 adjustment: effect of asset ceiling**

	Year to 31 March 2023 £000	Year to 31 March 2024 £000
Opening balance at 1 April	0	391,325
Effect of asset ceiling	391,325	90,181
<b>Closing balance at 31 March</b>	<b>391,325</b>	<b>481,506</b>

IAS19 limits the measurement of a net defined benefit asset to the lower of the surplus in the defined benefit plan and the asset ceiling. The asset ceiling is defined as the present value of any economic benefits available in the form of reductions in future contributions to the plan. As there is no unconditional right to a refund, the actuaries have calculated whether there are economic benefits in the form of reductions in future contributions, in accordance with IFRIC14. The economic benefits were calculated as £481.506m. Therefore, an adjustment to the defined benefit plan asset has been required in accordance with IAS19 and IFRIC14.

**Local Government Pension Scheme Assets**

The scheme assets disclosed above consist of the following categories, by proportion of the total assets held:

	31 March 2023		31 March 2024	
	£000	%	£000	%
<b>Equities</b>				
Consumer	197,099	12	145,917	8
Manufacturing	64,835	4	145,917	8
Energy and Utilities	72,616	5	36,919	2
Financial Institutions	233,407	15	147,675	8
Health and Care	173,759	11	96,692	6
Information Technology	150,418	9	131,853	8
Investment Funds Unit Trusts	-	-	476,429	27
Others	233,407	15	91,418	5
	<b>1,125,541</b>	<b>71</b>	<b>1,272,820</b>	<b>72</b>

<b>Gilts</b>				
Government Bonds	31,338	2	111,366	6
	<b>31,338</b>	<b>2</b>	<b>111,366</b>	<b>6</b>
<b>Other Bonds</b>				
Corporate Bonds (Investment Grade)	51,959	3	75,552	4
Investment Funds Unit Trusts	156,397	10	31,627	2
Others	9,872	1	8,785	1
	<b>218,228</b>	<b>14</b>	<b>115,964</b>	<b>7</b>
<b>Property</b>				
UK Property	155,491	10	151,240	9
Overseas Property	-	-	5,215	-
	<b>155,491</b>	<b>10</b>	<b>156,455</b>	<b>9</b>
<b>Cash</b>				
Cash and Cash Equivalents	43,002	3	108,428	6
Foreign Exchange	-	-	-	-
	<b>43,002</b>	<b>3</b>	<b>108,428</b>	<b>6</b>
<b>Total</b>	<b>1,573,600</b>	<b>100</b>	<b>1,765,033</b>	<b>100</b>

The following table provides analysis of each category of the above assets that have a quoted market price in an active market and those that do not.

	31 March 2023			31 March 2024		
	Quoted %	Unquoted %	Total %	Quoted %	Unquoted %	Total %
<b>Equities</b>	43	28	71	43	29	72
<b>Gilts</b>	2	-	2	6	-	6
<b>Other Bonds</b>	12	2	14	7	-	7
<b>Property</b>	10	-	10	9	-	9
<b>Cash etc</b>	3	-	3	6	-	6
<b>Total</b>	<b>70</b>	<b>30</b>	<b>100</b>	<b>71</b>	<b>29</b>	<b>100</b>

**Basis for estimating assets and liabilities**

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about life expectancy rates, salary levels etc. Both the Local Government Pension Scheme and Discretionary Benefits liabilities have been assessed by Barnett Waddingham, an independent firm of actuaries, estimates for the Tayside Pension Fund being based on the latest full valuation of the scheme as at 31 March 2023, rolled forward for various financial assumptions that comply with IAS 19. The significant assumptions used by the actuary for the purposes of IAS 19 calculations are as follows:

	31 March 2023	31 March 2024
Life expectancy (years) from age 65 for current pensioners i.e. those retiring today:		
Men	19.0	18.9
Women	22.4	21.6
Life expectancy (years) from age 65 for future pensioners i.e. those retiring in 20 years time:		
Men	20.4	20.2
Women	23.9	23.1
Rate of inflation (CPI)	2.9%	2.9%
Rate of increase in salaries	3.9%	3.9%

Rate of increase in pensions	2.9%	2.9%
Rate for discounting scheme liabilities	4.8%	4.85%
Take-up of option to convert annual pension into retirement lump sum	50%	50%

**Sensitivity Analysis**

The estimation of the defined benefit obligation is sensitive to the actuarial assumptions set out above. The following sensitivity analyses have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all other assumptions remain constant. The following changes to these assumptions would result in movements in the projected service cost as follows:

	Increase in Assumption £000	Decrease in Assumption £000
Life expectancy (increase or decrease by 1 year)	1,106	(1,076)
Rate of increase in salaries (increase or decrease by 0.1%)	19	(19)
Rate of increase in pensions (increase or decrease by 0.1%)	969	(937)
Rate for discounting scheme liabilities (increase or decrease by 0.1%)	(925)	956

**Impact on Future Cash Flows**

The objectives of the scheme are to keep employers’ contributions at as constant a rate as possible. Contributions are set every 3 years as a result of the actuarial valuation of the Fund required by the regulations. The next actuarial valuation of the Fund will be carried out as at 31 March 2023 and will set contributions for the period from 1 April 2024 and 31 March 2027. There are no minimum funding requirements in the Local Government Pension Scheme but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

The total contributions expected to be made to the Local Government Pension Scheme by the Council in the year to 31 March 2024 are £23.573m. The actuarial assumption for the duration of past service liabilities is 16 years (2022/2023: 15 years).

Expected contributions for the Discretionary Benefit Scheme in the year to 31 March 2025 are £3.138m.

**Liability to Tayside Pension Fund for Other Entities Obligations**

Dundee City Council acts as guarantor for the pension fund liabilities of Leisure and Culture Dundee, Dundee Contemporary Arts Limited and Dundee Science Centre, in the event of any of these entities going into liquidation.

**21 Events After the Reporting Period**

It is considered that there have been no events occurring between 1 April 2024 and 25 September 2024 that would require adjustments to the 2023/2024 Annual Accounts (i.e. no adjusting events). The latter date is the date on which the audited accounts were authorised for issue by the Executive Director of Corporate Services.

## 22 Related Parties

The Council is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council.

### Central Government

Central government has effective control over the general operations of the Council. It is responsible for providing the statutory framework, within which the Council operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. council tax bills, housing benefits). Grants received from government departments are set out in the subjective analysis in the Expenditure and Funding Analysis on amounts reported to decision makers. Details of central government grants transactions are shown in note 36.

### Members

Members of the Council have direct control over the Council's financial and operating policies. The total of members' allowances paid and further details of senior members' remuneration are included in the Remuneration Report. Under the Councillors' Code of Conduct, members are required to declare an interest in matters that directly or indirectly may influence, or be thought to influence, their actions as a Councillor. Membership of statutory Joint Boards or Committees, which are composed exclusively of elected members, does not raise any issue of declaration of interest in regard to Council business. In terms of any other relevant parties, those members with declarations of interest did not take part in any discussion or decisions relating to transactions with these parties. A copy of the Register of Members Interest can be obtained from the [Council's website](#).

### Officers

Senior Officers have control over the Council's financial and operating policies. The total remuneration paid to senior officers is shown in the Remuneration Report. Officers have the responsibility to adhere to a Code of Conduct, which requires them to declare an interest in matters that directly or indirectly may influence, or be thought to influence their judgement or decisions taken during the course of their work. In terms of any relevant parties, officers with declarations of interest did not take part in any discussion or decisions relating to transactions with these parties.

### Pension Fund

The Council is the administering authority for the Tayside Pension Fund. As administrator for the fund the Council is considered to have direct control over the fund, and the fund is therefore deemed to be a related party. The relevant transactions and balances with the fund to be disclosed are as follows:

During 2022/2023		As at 31 March 2023			During 2023/2024		As at 31 March 2024	
Charges To £000	Charges From £000	Amounts Due From £000	Amounts Due To £000		Charges To £000	Charges From £000	Amounts Due From £000	Amounts Due To £000
1,310	-	-	941	Tayside Pension Fund	1,542	-	-	437

Employer's contributions paid to the Tayside Pension Fund are in addition to the above and are disclosed in Note 20.

**Other Entities Controlled or Significantly Influenced by the Council**

The following entities are deemed to be related parties of the Council, mainly through the Council's ability to exert influence over these entities through its representation on their respective boards, the relevant transactions and balances with these bodies are as follows:

During 2022/2023		As at 31 March 2023			During 2023/2024		As at 31 March 2024	
Charges To £000	Charges From £000	Amounts Due From £000	Amounts Due To £000		Charges To £000	Charges From £000	Amounts Due From £000	Amounts Due To £000
-	2	-	-	Ardler Village Trust Comp	48	1	-	-
-	13,313	-	-	Discovery Education PLC	-	15,369	-	-
14	620	121	4	Dovetail Enterprises (1993) Ltd	23	881	140	2
11	78	72	19	Dundee Contemporary Arts Ltd	22	1	21	19
134,248	106,521	-	15,706	Dundee Health & Social Care Integration Joint Board	136,782	104,333	-	9,678
-	509	-	-	Dundee Rep Theatre	-	469	-	-
-	231	-	-	Dundee Science Centre Enterprises Ltd	-	294	-	-
-	7	-	-	Dundee Science Ce	4	35	-	29
17	2,696	277	-	Hub East Central (Baldragon) Ltd	26	2,819	262	2
877	11,669	557	634	Leisure and Culture Dundee	542	12,278	684	437
115	36	115	-	Michelin Scotland Innovation Parc Limited	16	30	-	-
83	-	-	312	Tay Cities Deal Joint Committee	-	-	-	290
174	12	4	128	Tay Road Bridge Joint Board	246	-	1	347
2,626	26,855	12,287	1,818	Tayside Contracts Joint Committee	2,970	33,960	14,965	434
75	956	151	7	Tayside Valuation Joint Board	85	902	188	28
-	351	166	-	V&A Dundee	-	351	173	-

## 23 Leases

### Council as Lessee

#### *Finance Leases and Financing Arrangements*

During 2019/2020 the Council entered into a sale and leaseback arrangement which resulted in one asset, an administration building, being acquired under a 40 year financing arrangement. The asset acquired under this financing arrangement continues to be carried as property, plant and equipment in the balance sheet at the following net amounts:

	31 March 2023 £000	31 March 2024 £000
Operational Building	22,576	21,623
Land	670	670
<b>Total</b>	<b>23,246</b>	<b>22,293</b>

The Council is committed to making minimum payments under this financing arrangement comprising settlement of the long-term liability for the interest in the property acquired by the Council and finance costs that will be payable by the Council in future years while the liability remains outstanding. The minimum financing arrangement payments are made up of the following amounts.

	31 March 2023 £000	31 March 2024 £000
Financing Arrangement Liabilities (net present value of minimum financing arrangement payments):		
Current	364	376
Non-Current	1,575	1,625
Finance Costs payable in future years	20,579	20,154
<b>Total Minimum Financing Arrangement Payments</b>	<b>22,518</b>	<b>22,155</b>

The minimum financing arrangement payments will be payable over the following periods:

	Minimum Financing Arrangement Payments		Financing Arrangement Liabilities	
	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000
Not later than one year	742	747	378	371
Later than one year and not later than five years	3,023	3,046	1,448	1,421
Later than five years	26,903	26,133	6,324	5,979
	<b>30,668</b>	<b>29,926</b>	<b>8,150</b>	<b>7,771</b>

The minimum financing arrangement payments include annual rent increases of 2.75%.

The Council has sub-let some of the administration building held under this financing arrangement. At 31 March 2024 the minimum payments expected to be received under non-cancellable sub-leases was £2.530m (£0.247m at 31 March 2023).

#### *Operating Leases*

The Council has entered into agreements to lease various property, plant and equipment that are accounted for as operating leases. In addition, the Council operates a contract car hire scheme for its employees. The Council makes payments to the lessor for the contract car hire scheme, under an operating lease agreement, that are partly offset by contributions from employees participating in the scheme. The future minimum lease payments due under these leases in future years are:

	31 March 2023 £000	31 March 2024 £000
Not later than one year	312	720
Later than one year and not later than five years	827	1,711



Later than five years	-	333
	<b>1,139</b>	<b>2,764</b>

The total expenditure charged to the Comprehensive Income and Expenditure Statement during the year in relation to operating leases for various property, plant and equipment (including the Council's contract car hire scheme) was as follows:

	2022/2023 £000	2023/2024 £000
Minimum lease payments	781	901
Less Employee Contributions	(71)	(66)
	<b>710</b>	<b>835</b>

#### Council as Lessor

##### *Finance Leases*

In 2017/2018 the Council entered into a twenty-eight year agreement for equipment assets with the company operating the existing waste-to-energy plant. This is in the form of a finance lease. There will be no consideration received by the Council over the period of the agreement and there is a nil balance in the Council's Balance Sheet. There were no further finance leases entered into during 2023/2024.

##### *Operating Leases*

The Council has entered into a number of agreements that are managed corporately by the City Development service. These agreements relate to leases of property, plant & equipment under operating leases for the following purposes:

- commercial and industrial properties that are leased out for the policy objectives e.g. economic development purposes to provide suitable affordable accommodation for local businesses
- ground leases for various sites including shopping centres, other commercial developments, telecommunications and advertising sites

The future minimum lease payments receivable under non-cancellable leases in future years are:

	2022/2023 £000	2023/2024 £000
Not later than one year	6,775	7,175
Later than one year and not later than five years	20,724	24,055
Later than five years	98,506	96,848
	<b>126,005</b>	<b>128,078</b>

## 24 Investment Properties

The following items of income and expenditure have been accounted for in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement:

	2022/2023 £000	2023/2024 £000
Rental income from investment property	1,409	1,331
Direct operating expenses arising from investment property	(32)	(162)
<b>Net gain/(loss)</b>	<b>1,377</b>	<b>1,169</b>

There are no restrictions on the Council's ability to realise the value inherent in its investment property or on the Council's right to the remittance of income and the proceeds of disposal. The Council has no contractual obligations to purchase, construct or develop investment property or repairs, maintenance or enhancement.

The following table summarises the movement in the fair value of investment properties over the year:

	2022/2023 £000	2023/2024 £000
Balance at start of the year	13,573	13,073
Disposals	-	-
Net gains/(losses) from fair value adjustments	(500)	-
Transfers:		
- (to)/from Property, Plant and Equipment	-	-
<b>Balance at end of the year</b>	<b>13,073</b>	<b>13,073</b>

Gains or losses arising from changes in the fair value of the investment property are recognised in Surplus or Deficit on the Provision of Services - Financing and Investment Income and Expenditure line.

### Fair Value Hierarchy

Details of the Council's investment properties and information about the fair value hierarchy as at 31 March 2024 are as follows:

	Quoted prices in active markets for identical assets Level 1 £000	Other significant observable inputs Level 2 £000	Significant unobservable inputs Level 3 £000	Fair Value as at 31 March 2024 £000
Recurring Fair Value measurements using:				
Assets held for Capital Appreciation	-	7,589	-	7,589
Office Units	-	134	-	134
Commercial Units	-	5,350	-	5,350
<b>Total</b>	<b>-</b>	<b>13,073</b>	<b>-</b>	<b>13,073</b>

### 2023 Comparative Figures:

	Quoted prices in active markets for identical assets Level 1 £000	Other significant observable inputs Level 2 £000	Significant unobservable inputs Level 3 £000	Fair Value as at 31 March 2023 £000
Recurring Fair Value measurements using:				
Assets held for Capital Appreciation	-	7,589	-	7,589
Office Units	-	134	-	134
Commercial Units	-	5,350	-	5,350
<b>Total</b>	<b>-</b>	<b>13,073</b>	<b>-</b>	<b>13,073</b>

### Fair Value Hierarchy

#### Level 1 - Quoted prices in active markets for identical assets

There are no active markets with quoted prices applicable to the Council's Investment Property portfolio.

#### Level 2 - Significant Observable Inputs

The fair value for the assets held for capital appreciation has been based on the market approach using current market conditions and recent sales prices and other relevant information for similar assets in the Council area. Market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant, leading to the properties being categorised at level 2 in the fair value hierarchy.

Capitalisation of rental values, using comparable market evidence and yields is the method applied to determine if fair value of Commercial / Office properties. Where possible, income streams are capitalised. Where evidence of comparable sales transactions is available the evidence is analysed and applied.

#### Level 3 - Significant Unobservable Inputs

Fair value can be measured using the income approach, by means of the discounted cash flow method, where the expected cash flows from the properties are discounted (using a market-derived discount rate) to establish the present value of the net income stream. This approach uses assumptions such as the duration and timing rent growth, occupancy levels, bad debts, maintenance costs etc.

None of the Council's Investment Properties are categorised as Level 3.

#### Transfers between levels of the Fair Value Hierarchy

There were no transfers between hierarchy levels in the year.

#### Highest and Best Use of Investment Properties

In estimating the fair value of the Council's investment properties, the highest and best use of the properties is their current use.

#### Valuation Techniques and Process

There has been no change in the valuation techniques used during the year for investment properties. The fair value of the Council's investment property is measured annually at each reporting date. All valuations are carried out internally, in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors.

### 25 Intangible Assets

The Council accounts for purchased software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment. The useful life assigned to software is 5 years and the carrying amount of intangible assets is amortised on a straight-line basis.

	<b>2022/2023</b>	<b>2023/2024</b>
	<b>£000</b>	<b>£000</b>
<b>Opening Gross Book Value</b>	4,239	4,924
Additions	685	958
<b>Closing Gross Book Value</b>	<b>4,924</b>	<b>5,882</b>
<b>Opening Accumulated Amortisation</b>	1,752	2,384
Amortisation Charge for the Year	632	739
<b>Closing Accumulated Amortisation</b>	<b>2,384</b>	<b>3,123</b>
<b>Closing Net Book Value</b>	<b>2,540</b>	<b>2,759</b>

### 26 Impairment Losses

Impairment losses charged to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement during 2023/2024 totalled £18.600m (2022/2023 £21.469m).

Of this total, £18.290m (2022/2023 £21.114m) relates to expenditure in the year which did not add value to assets. £8.619m (2022/2023 £7.839m) relates to expenditure on Council Houses, £3.639m (2022/2023 £4.271m) relates to expenditure on schools and the remaining £6.032m (2022/2023 £9.004m) relates to expenditure on other Council land & buildings.

The remaining £0.310m (2022/2023 £0.355m) relates to impairment charged to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as a result of revaluation losses relating to land and buildings.

**27 Property, Plant and Equipment**

Movements in 2023/2024:

	Council Dwellings £000	Other Land & Buildings £000	Vehicles, Plant & Equipment £000	Infra-structure Assets £000	Comm-unity Assets £000	Surplus Assets £000	Assets Under Con-struction £000	Total Property, Plant & Equipment £000	PPP Assets Included in Property, Plant & Equipment £000	DBFM Assets Included in Property, Plant & Equipment £000	SCA Assets Included in Property, Plant & Equipment £000
<b>Cost or Valuation</b>											
<b>At 1 April 2023</b>	<b>540,888</b>	<b>983,589</b>	<b>116,556</b>	-	<b>6,493</b>	<b>5,599</b>	<b>22,750</b>	<b>1,675,875</b>	<b>138,191</b>	<b>33,157</b>	<b>60,348</b>
Additions	11,882	10,777	3,038	21,623	-	-	37,352	84,672	120	-	11
Revaluation inc/(dec) recognised in the Revaluation Reserve	(39,391)	62,263	-	-	-	916	-	23,788	17,890	7,835	-11
Revaluation inc/(dec) recognised in the Surplus / Deficit on the Provision of Services	(15,694)	(4,550)	-	(872)	-	24	-	(21,092)	(100)	-	-
Disposals	-	(438)	(974)	-	-	-	-	(1,412)	-	-	-
Reclassification within PPE	10,277	9,087	-	-	-	0	(19,364)	0	-	-	-
<b>At 31 March 2024</b>	<b>507,962</b>	<b>1,060,728</b>	<b>118,620</b>	-	<b>6,493</b>	<b>6,539</b>	<b>40,738</b>	<b>1,741,080</b>	<b>156,101</b>	<b>40,991</b>	<b>60,348</b>
<b>Accumulated Depreciation and Impairment</b>											
<b>At 1 April 2023</b>	<b>0</b>	<b>(13,428)</b>	<b>(97,360)</b>	-	-	-	-	<b>(110,788)</b>	-	-	-
Depreciation charge	(18,877)	(38,554)	(4,162)	(11,107)	-	-	-	(72,700)	(5,780)	(1,108)	(1,536)
Depreciation written out to the Revaluation Reserve	18,694	32,162	-	-	-	-	-	50,856	5,780	1,108	-
Depreciation written out to the Surplus/Deficit on the Provision of Services	183	2,308	-	-	-	-	-	2,491	-	-	-
Disposals	-	-	895	-	-	-	-	895	-	-	-
<b>At 31 March 2024</b>	<b>-</b>	<b>(17,512)</b>	<b>(100,627)</b>	-	-	-	-	<b>(118,139)</b>	-	-	<b>(1,536)</b>
<b>Net Book Value:</b>											
<b>At 31 March 2024</b>	<b>507,962</b>	<b>1,043,216</b>	<b>17,993</b>	<b>218,161</b>	<b>6,493</b>	<b>6,539</b>	<b>40,738</b>	<b>1,841,102</b>	<b>156,101</b>	<b>40,991</b>	<b>58,812</b>

<b>At 31 March 2023</b>	<b>540,887</b>	<b>970,160</b>	<b>19,196</b>	<b>208,518</b>	<b>6,493</b>	<b>5,599</b>	<b>22,750</b>	<b>1,773,603</b>	<b>138,191</b>	<b>33,157</b>	<b>65,308</b>
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**Comparative Movements in 2022/2023:**

	<b>Council Dwellings £000</b>	<b>Other Land &amp; Buildings £000</b>	<b>Vehicles, Plant &amp; Equipment £000</b>	<b>Infra-structure Assets £000</b>	<b>Comm-unity Assets £000</b>	<b>Surplus Assets £000</b>	<b>Assets Under Con-struction £000</b>	<b>Total Property, Plant &amp; Equipment £000</b>	<b>PPP Assets Included in Property, Plant &amp; Equipment £000</b>	<b>DBFM Assets Included in Property, Plant &amp; Equipment £000</b>	<b>SCA Assets Included in Property, Plant &amp; Equipment £000</b>
<b>Cost or Valuation</b>											
At 1 April 2022	539,394	920,794	114,297	-	6,493	7,472	21,580	<b>1,610,030</b>	113,111	26,080	65,308
Additions	7,839	14,436	4,331	16,407	-	-	9,620	<b>52,633</b>	-	46	164
Revaluation inc/(dec) recognised in the Revaluation Reserve	(275)	69,696	-	-	-	565	-	<b>69,986</b>	<b>25,076</b>	4,168	-
Revaluation inc/(dec) recognised in the Surplus / Deficit on the Provision of Services	(7,839)	(25,563)	-	(942)	-	-	-	<b>(34,344)</b>	4	2,863	(164)
Disposals	(1,965)	(100)	(2,072)	-	-	-	-	<b>(4,137)</b>	-	-	-
Reclassification within PPE	3,733	4,326	-	-	-	(2,438)	(8,450)	<b>(2,829)</b>	-	-	-
<b>At 31 March 2023</b>	<b>540,887</b>	<b>983,589</b>	<b>116,556</b>	<b>-</b>	<b>6,493</b>	<b>5,599</b>	<b>22,750</b>	<b>1,691,339</b>	<b>138,191</b>	<b>33,157</b>	<b>65,308</b>
<b>Accumulated Depreciation and Impairment</b>											
At 1 April 2022	(56,474)	(78,898)	(95,426)	-	-	-	-	<b>(230,798)</b>	(14,350)	(2,837)	-
Depreciation charge	(18,848)	(30,854)	(3,841)	(11,260)	-	-	-	<b>(64,803)</b>	(3,588)	(709)	(1,633)
Depreciation written out to the Revaluation Reserve	75,322	85,919	-	-	-	-	-	<b>161,241</b>	17,936	2,289	-
Depreciation written out to the Surplus/Deficit on the Provision of Services	-	10,404	-	-	-	-	-	<b>10,404</b>	2	1,257	-
Disposals	-	-	1,907	-	-	-	-	<b>1,907</b>	-	-	-
<b>At 31 March 2023</b>	<b>0</b>	<b>(13,429)</b>	<b>(97,360)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(122,049)</b>	<b>-</b>	<b>-</b>	<b>(1,633)</b>
<b>Net Book Value:</b>											
<b>At 31 March 2023</b>	<b>540,887</b>	<b>970,160</b>	<b>19,196</b>	<b>208,518</b>	<b>6,493</b>	<b>5,599</b>	<b>22,750</b>	<b>1,773,603</b>	<b>138,191</b>	<b>33,157</b>	<b>65,308</b>

### *Depreciation*

The following useful lives have been used in the calculation of depreciation:

- Council Houses - 20 - 50 years
- Other Land and Buildings - 10 - 60 years
- Vehicles, Plant, Furniture & Equipment - 3 - 10 years
- Infrastructure - 10 - 30 years

### *Capital Commitments*

At 31 March 2024, the Council has entered into a number of contracts for the construction or enhancement of Property, Plant and Equipment in 2024/2025 and future years budgeted to cost £109m. Similar commitments at 31 March 2023 were £128m. The major commitments are:

- East End Community Campus - £70.7m
- Site 6 South Development - Offices- £19.8m
- Green Transport Hub & Spokes Pre-construction and Enabling Works - £5.1m
- Schools Connectivity – £1.8m
- Increased Supply of Council Houses - £1.6m

This gross expenditure of £109m will be funded from a combination of Council Borrowing, Grants and Contributions.

### *Effects of Changes in Estimates*

In 2023/2024, the Council did not make any material changes to its accounting estimates for Property, Plant and Equipment.

### *Infrastructure Assets*

Infrastructure asset values have been disclosed in accordance with the Scottish Government's Finance Circular 9/2022 Statutory Override – Accounting for Infrastructure Assets. The council has applied both statutory overrides set out in the circular which are as follows:

- For accounting periods commencing from 1 April 2021 until 31 March 2024, a local authority is not required to report the gross carrying amount and accumulated depreciation for infrastructure assets.
- For the accounting periods from 1 April 2010 to 31 March 2024, the carrying amount to be derecognised in respect of a replaced part of an infrastructure asset is to be accounted for as a nil amount, and no subsequent adjustment can be made to the carrying amount of the asset with respect to that part.

### *Revaluations*

The Council carries out a rolling programme to ensure that all Property, Plant and Equipment required to be measured at fair value is revalued at least every five years. Financial year 2021/2022 was the first year of the current revaluation programme. The effective date for the 2023/2024 revaluations is 31 March 2024.

All valuations were carried out internally by valuers in City Development Service. Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors. Valuations of vehicles, plant, furniture and equipment are based on current prices where there is an active second-hand market or latest list prices adjusted for the condition of the asset. To provide additional assurance on the carrying value of assets not included in the current year of the revaluation cycle, a value indexation exercise was completed on DRC valued assets, to assess the impact of inflation on DRC based asset valuations.

The table below shows the changes in asset values for each category revalued over the last financial year:

	Council Dwellings £000	Other Land & Buildings £000	Vehicles, Plant & Equipment £000	Surplus Assets £000	Total £000
<b>Carried at historical cost</b>	-	-	3,977	-	3,977
<b>Valued at fair value as at:</b>					
<b>31 March 2024</b>	(34,778)	105,155		939	71,316
<b>31 March 2023</b>	75,210	11,888	-	340	87,438
<b>31 March 2022</b>	-	11,888	-	340	12,228
<b>31 March 2021</b>	-	(5,146)	-	205	(4,941)
<b>31 March 2020</b>	-	(2,720)	-	300	(2,420)
<b>Total Cost or Valuation</b>	<b>40,432</b>	<b>121,065</b>	<b>3,977</b>	<b>2,124</b>	<b>167,598</b>

## 28 Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases, PFI/PPP contracts, DBFM contracts and Service Concession Arrangements), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Council, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Council that has yet to be financed. The CFR is analysed in the second part of this note.

	2022/2023 £000	2023/2024 £000
<i>Opening Capital Financing Requirement</i>	776,698	779,043
<i>Capital investment</i>		
Property, Plant and Equipment	52,230	84,165
Intangible Assets	685	958
Revenue Expenditure Funded from Capital under Statute	404	506
<i>Sources of finance:</i>		
Capital receipts	(3,076)	(1,345)
Government grants and other contributions	(22,617)	(32,555)
Transfer from Capital Grants & Receipts Unapplied Account	(1,799)	(2,696)
Application of PFI retrospective flexibility	-	39,773
Application of PFI in-year flexibility	-	3,600
Sums set aside from revenue:		
• Direct revenue contributions	(2,611)	(2,836)
• Loans fund principal	(20,871)	(22,251)
<b>Closing Capital Financing Requirement</b>	<b>779,043</b>	<b>846,362</b>
<b>Explanation of movements in year</b>		
Increase / (Decrease) in underlying need to borrowing (unsupported by government financial assistance)	6,995	28,944
Increase/ (Decrease) in PFI debt repayment flexibility	-	43,373
Increase/ (Decrease) in PFI/PPP obligation	(2,339)	(2,582)
Increase/ (Decrease) in DBFM obligation	(943)	(947)
Increase/ (Decrease) in Service Concession Arrangement	(1,016)	(1,099)
Increase/ (Decrease) in Financing Arrangement	(352)	(364)
<b>Increase/(decrease) in Capital Financing Requirement</b>	<b>2,345</b>	<b>67,325</b>

**29 Private Finance Initiatives and Similar Contracts****i) Education Services PFI Scheme**

2023/24 was the 16th year of a 30 year PFI contract with Discovery Education PLC to construct, maintain and facilities-manage six new primary schools and two new secondary schools in the city. The Authority has rights under the contract to specify the services provided with the priority being the provision of an Education Service during the school day, followed by Community use. The contract specifies minimum standards for the services to be provided by the contractor, with deductions from the fee payable being made if facilities are unavailable or performance is below minimum standards. The contractor took on the obligation to construct the schools and maintain them in a minimum acceptable condition and provide a facilities management service. At the end of the contract the schools will be transferred back to the Local Authority for nil consideration.

*Property Plant and Equipment*

The schools have been recognised on the Authority's Balance Sheet as tangible fixed assets. Movements in their value over the year are detailed in the analysis of the movement on the property, plant and equipment balance in note 27.

*Payments*

The Authority makes an agreed payment each year which is increased each year by inflation and will be reduced if the contractor fails to meet availability and performance standards in any year but which is otherwise fixed. Payments remaining to be made under the PFI contract at 31 March 2024 (excluding any estimation of inflation and availability/performance deductions are as follows:

	<b>Payment for Services £000</b>	<b>Repayment of Liability £000</b>	<b>Interest £000</b>	<b>Lifecycle Maintenance £000</b>	<b>Total £000</b>
Payable in 2024/25	4,458	3,190	7,674	1,158	16,480
Payable within 2-5 years	18,975	13,733	31,387	6,051	70,146
Payable within 6 - 10 years	26,512	18,705	39,694	13,098	98,009
Payable within 11 - 15 years	23,927	21,029	37,403	6,102	88,461
<b>TOTAL</b>	<b>73,872</b>	<b>56,657</b>	<b>116,158</b>	<b>26,409</b>	<b>273,096</b>

Although the payments made to the contractor are described as unitary payments, they have been calculated to compensate the contractor for the fair value of the services they provide, the capital expenditure incurred and interest payable whilst the capital expenditure remains to be reimbursed. The liability outstanding to pay the liability to the contractor for capital expenditure incurred is as follows:

	<b>2022/2023 £000</b>	<b>2023/2024 £000</b>
<b>Balance at the start of the year</b>	<b>61,580</b>	<b>59,240</b>
Payments during the year	(2,340)	(2,583)
<b>Balance at year-end</b>	<b>59,240</b>	<b>56,657</b>

**ii) Baldragon DBFM Project**

2023/24 was the 7th year of a 25 year DBFM contract with Hub East Central (Baldragon) Ltd to design, construct, maintain and facilities-manage a new secondary schools in the city. Dundee City Council took occupation of the new school on 11<sup>th</sup> December 2018. The Authority has rights under the contract to specify the services provided with the priority being the provision of an Education Service during the school day, followed by Community use. The contract specifies minimum standards for the services to be provided by the contractor, with deductions from the fee payable being made if facilities are unavailable or performance is below minimum standards. The contractor took on the obligation to construct the schools and maintain them in a minimum acceptable condition and provide a facilities management service. At the end of the contract the schools will be transferred back to the Local Authority for nil consideration.

*Property, Plant and Equipment*



The school has been recognised on the Authority's Balance Sheet as tangible fixed assets. Movements in their value over the year are detailed in the analysis of the movement on the property, plant and equipment balance in note 27.

#### Payments

The Authority makes an agreed payment each year which is increased each year by inflation and will be reduced if the contractor fails to meet availability and performance standards in any year but which is otherwise fixed. Payments remaining to be made under the DBFM contract at 31 March 2024 (excluding any estimation of inflation and availability/performance deductions are as follows:

	Payment for Services £000	Repayment of Liability £000	Interest £000	Lifecycle Maintenance £000	Total £000
Payable in 2024/25	313	964	1,125	405	2,807
Payable within 2-5 years	1,332	4,192	4,107	1,787	11,418
Payable within 6 - 10 years	1,861	6,020	4,121	2,737	14,739
Payable within 11 - 15 years	2,107	6,992	2,825	3,396	15,320
Payable within 16 - 20 years	1,735	4,995	974	4,256	11,960
<b>TOTAL</b>	<b>7,348</b>	<b>23,163</b>	<b>13,152</b>	<b>12,581</b>	<b>56,244</b>

Although the payments made to the contractor are described as unitary payments, they have been calculated to compensate the contractor for the fair value of the services they provide, the capital expenditure incurred and interest payable whilst the capital expenditure remains to be reimbursed. The liability outstanding to pay the liability to the contractor for capital expenditure incurred is as follows:

	2022/2023 £000	2023/2024 £000
<b>Balance at the start of the year</b>	<b>25,013</b>	<b>24,070</b>
Payments during the year	(943)	(947)
<b>Balance at year-end</b>	<b>24,070</b>	<b>23,123</b>

#### iii) Waste Disposal Project

In November 2017, the Council entered into a 28 year contract with MVV Environment Baldovie Limited (MEB) for the disposal of residual waste. As part of the new contract arrangements, the Council sold its shareholding in DERL to MVV Environment Limited (MVV). The DERL plant ("Lines 1&2") is being utilised by MEB to deliver contractual requirements alongside the new plant ("Line 3") that was constructed on an adjacent site. Following investment by MVV, Lines 1&2 has been operating reliably and the decision was therefore taken to extend its operational life by 7 years, formalised in a Life Extension Agreement between MEB and the Council. Full services from Line 3 commenced on 20 January 2022, which is the starting point of the 25 year Line 3 contract. At the end of the contract the plant will be transferred to the Council for nil consideration. The contract sets out the services that the Council require the contractor to deliver and specifies minimum standards for these services, with deductions from the fee payable being made if services are unavailable or performance is below minimum standards.

#### Property Plant and Equipment

The new plant is deemed to be a service concession asset and the Council's 60% share has been recognised on the Balance Sheet as an operational asset. The Council's assets at the DERL site (Lines 1&2) and land for the new plant (Line 3) are being made available to MEB via leases.

#### Payments

The Contractor is paid a unitary charge comprising a contractually agreed gate fee for each tonne of waste treated (subject to a guaranteed minimum tonnage) and some ancillary pass through costs. The gate fee is subsidised by a guaranteed level of commercial income. This net gate fee is fixed for the contract life, subject

to annual inflationary increases at 50% of RPIX and any service availability / performance deductions. There is also an excess revenue sharing mechanism in place, with the Council benefitting if the Contractor outperforms the assumptions in its business case for third party revenues. Payments remaining to be made under the contract at 31 March 2024 (excluding any estimation of service availability deductions, performance deductions and excess revenue sharing) are as follows:

	Payment for Services £000	Repayment of Liability £000	Interest £000	Lifecycle Maintenance £000	Total £000
Payable in 2024/25	4,066	1,189	4,800	-	10,055
Payable within 2-5 years	17,461	5,544	18,379	323	41,707
Payable within 6 - 10 years	25,475	8,853	20,057	1,578	55,963
Payable within 11 - 15 years	28,515	14,078	16,866	391	59,850
Payable within 16 - 20 years	33,200	18,851	10,308	2,433	64,792
Payable within 21 - 25 Years	11,987	8,654	1,857	-	22,498
<b>TOTAL</b>	<b>120,704</b>	<b>57,169</b>	<b>72,267</b>	<b>4,725</b>	<b>254,865</b>

Although the payments made to the contractor are described as unitary payments, they have been calculated to compensate the contractor for the fair value of the services they provide, the capital expenditure incurred and interest payable whilst the capital expenditure remains to be reimbursed. The liability outstanding to pay the liability to the contractor for capital expenditure incurred is as follows:

	2022/2023 £000	2023/2024 £000
<b>Balance at the start of the year</b>	<b>59,284</b>	<b>58,268</b>
Repayments during the year	(1,016)	(1,099)
<b>Balance at year-end</b>	<b>58,268</b>	<b>57,169</b>

**iv) Application of PFI Service Concession Arrangement Flexibilities**

In accordance with Accounting Policy R on page 63 and Finance Circular 10/2022, the Council has applied a permitted PFI Service Concession Arrangement (SCA) flexibility in financial year 2023/24 on a retrospective annuity basis to the three SCA's currently in place.

By applying the flexibility, a one-off combined pre 2023/24 retrospective saving of £39.773m has been achieved with the resultant benefit added to Council earmarked revenue reserves. In addition to the one-off retrospective element, an in-year, budgeted, saving occurred in scheduled debt repayments in 2023/24, of £3.600m. Debt repayment savings will be generated until SCA contracts have been repaid, followed by statutory charges over the remaining lives of the assets. Over the full asset lives of the SCA's the total repayment for the debt liability remains the same.

In order to ensure that the SCA flexibility being applied is prudent, sustainable, and affordable over the life of the assets, the Council will manage its effect and utilisation through an earmarked reserve specifically set up for this purpose. The earmarked reserve will be used to capture the benefits and costs arising from the flexibility and to ensure a smoothed profile for planned use at budget-setting. Please refer to Note 10 for more details.

	Current (contractual) repayment £000	Revised (statutory) repayment £000	(Reduction)/ cost £000
Pre 2023/24	47,268	7,495	(39,773)
Paid in 2023/24	4,628	1,028	(3,600)
Payable 2-5 years	22,475	4,737	(17,738)
Payable 6-10 years	32,067	7,638	(24,429)
Payable 11-15 years	44,900	10,182	(34,718)

Payable 16-20 years	24,133	13,653	(10,480)
Payable 21-25 years	13,374	18,422	5,048
Payable 26-30 years	-	25,009	25,009
Payable 31-35 years	-	34,163	34,163
Payable 36-40 years	-	34,702	34,702
Payable 41-45 years	-	24,615	24,615
Payable 46-50 years	-	7,201	7,201
<b>TOTAL</b>	<b>188,845</b>	<b>188,845</b>	<b>0</b>

### Impact on CIES and Balance Sheet

The reprofiling of the debt liability repayments increases the Capital Financing Requirement (CFR) by £39.773m as at 1 April 2023. The increase in the CFR (Note 28) will continue to be reduced by the revised repayments after each SCA contract has expired until the end of the revised period. Being a cumulative statutory adjustment there is no prior year restatement of statutory adjustments in the Annual Accounts. The statutory adjustment up to 31 March 2024 has the following impact on the 2023/24 Balance sheet (Capital Adjustment Account) and Movement in Reserves statement:

	Retrospective £000	In-year £000	Total £000
Capital Adjustment Account (note 12)	39,773	3,600	43,373
Movement in Reserves Statement (Note 9)	(39,773)	(3,600)	(43,373)

### 30 Assets Held for Sale

	2022/2023 £000	2023/2024 £000
<b>Balance at start of year</b>	4,593	5,893
Assets newly classified as held for sale:		
• Property, Plant and Equipment	2,829	-
Revaluation gains/(losses)	(1,222)	(251)
Assets sold	(307)	(1,149)
<b>Balance at year-end</b>	<b>5,893</b>	<b>4,493</b>

### 31 Short Term Debtors

	31 March 2023 £000	31 March 2024 £000
Central government bodies	20,989	19,203
Other local authorities	6,360	7,184
NHS bodies	2,067	1,239
Public corporations and trading funds	11	116
Other entities and individuals	33,844	30,636
<b>Total</b>	<b>63,271</b>	<b>58,378</b>

### 32 Short Term Creditors

	31 March 2023 £000	31 March 2024 £000
Central government bodies	37,726	25,458
Other local authorities	16,232	12,241
NHS bodies	748	296
Public corporations and trading funds	836	1,120
Other entities and individuals	64,574	59,746
<b>Total</b>	<b>120,116</b>	<b>98,861</b>

**33 Provisions**

<b>Self-Insured / Uninsured Losses</b>				
	<b>Dundee City Council £000</b>	<b>ex-TRC/DDC Funds £000</b>	<b>Construction Services £000</b>	<b>Total £000</b>
Balance at 1 April 2023	4,994	491	196	5,681
Additional provisions made in year	2,670	-	93	2,763
Amounts used in year	(2,067)	(142)	(98)	(2,307)
Unused amounts reversed in year	(1,840)	-	-	(1,840)
<b>Balance at 31 March 2024</b>	<b>3,757</b>	<b>349</b>	<b>191</b>	<b>4,297</b>

Self-Insured/Uninsured Losses

As part of the Council's Risk Management Policy, the Council has a largely self-insurance arrangement which makes provision against potential losses. The provision relates to ongoing insurance claims and legal cases against the Council and represent the Council's share of the insurer's estimate of settlement costs.

Insurance policies are still in place to protect the Council's Liability for any major loss or claim, such as the fire at Braeview Academy. The provision takes into account all known liabilities likely to be incurred by the Council. Whilst there is a pre-determined timeline for claims to be submitted, there is no set pattern for the time claims take to settle, as the factors will vary from claim to claim, which the Council has no control over. As well as operating its own Insurance Fund, the Council is also responsible for running off the ex- Tayside Regional Council and ex- Dundee District Council Fund.

Analysis of claims figures highlights the following features:

**Employers Liability:** shows a general reduction in claims for the last three financial years. This is through improvements in health and safety and successful defence of older claims which in turn has reduced the level of provision required.

**Public Liability / Third Party Claims:** value comparisons appear similar, but it is difficult for this class of cover due to large reserves being held pending resolution of claims (normally through court actions) to give a true reflection on losses. It is an area the Council's insurers are taking a robust line on due to the current claims culture, which has resulted in successful defence of individual claims therefore reducing the Council liability.

**Property Damage:** continuing investment in risk management initiatives has seen the Council's self-insured property costs remain fairly stable.

**Motor Insurance:** the accident claim figures remain similar from year to year, however over the last three years a number of injuries claims have been submitted which are resulting in reserve and cost figures increasing substantially.

Construction Services

A provision has been made for possible future losses on existing long-term contracts where a sub-contractor has gone into administration during the maintenance defects period and the Council will therefore be liable for the costs of any required remedial works. The provision also includes various amounts relating to other remedial works anticipated.

Debtor Impairment Allowances

The above items are shown as Provisions in the Council's Long Term Liabilities section of the Council's Balance Sheet. In addition, there are a number of impairment allowances that are netted-off against Short Term Debtors in the Current Assets section of the Council's Balance Sheet. As at 31 March 2024, these are as follows:

- Council Tax - the allowance of £25.482m (31 March 2023: £24.643m) has been calculated using the non-collection rate anticipated when each financial year's Council Tax was set, or a lower figure where the anticipated collection rate has been exceeded.
- Statutory Additions - the impairment allowance of £5.557m (31 March 2023: £5.342m) has been calculated by applying the overall percentage relating to the charge elements (i.e. Non Domestic Rates and Council Tax) to which the Statutory Addition was applied.

- Miscellaneous Invoiced and Other Debt - the impairment allowance of £6.989m (31 March 2023: £6.028m) has been calculated by applying non-collection rates to an aged debt analysis. The percentage increases according to the age of the debt. Higher percentages are also applied to types of debt which have proven difficult to collect.
- Housing Rents - the impairment allowance of £4.854m (31 March 2023: £5.390m) has been calculated by applying various percentages to a value-banded debt analysis. The percentage increases according to the value of the debt.
- Housing Benefit Overpayments - the impairment allowance of £1.069m (31 March 2023: £1.191m) has been calculated by applying an anticipated non-collection rate to the total debt.

Movements in the level of impairment allowance arise from write-offs of debt against the allowance during the course of the financial year, together with a re-assessment of the required level of allowance at the balance sheet date.

## 34 Contingent Liabilities

### Guaranteed Minimum Pension

As a result of the High Court's previous Lloyds ruling on the equalisation of GMPs between genders, a number of pension schemes made adjustments to accounting disclosures to reflect the effect of this ruling on the value of pension liabilities. It is the understanding of Tayside Pension Fund's actuaries that HM Treasury have confirmed that the judgement does not impact on the current method used to achieve equalisation and indexation in public service pension schemes. On 23 March 2021, the Government published the outcome to its Guaranteed Minimum Pension Indexation consultation, concluding that all public service pension schemes, including the LGPS, will be directed to provide full indexation to members with a GMP reaching State Pension Age (SPA) beyond 5 April 2021. This is a permanent extension of the existing 'interim solution' that has applied to members with a GMP reaching SPA on or after 6 April 2016. Tayside Pension Fund's actuaries valuation assumption for GMP is that the Fund will pay limited increases for members that have reached SPA by 6 April 2016, with the Government providing the remainder of the inflationary increase. For members that reach SPA after this date, the actuaries have assumed that the Fund will be required to pay the entire inflationary increase. This assumption is consistent with the consultation outcome and the actuaries do not believe that it is necessary to make any adjustments to the value placed on the liabilities as a result of the above outcome.

The above Contingent Liability was also disclosed at 31 March 2023.

### Goodwin Case

Following a case involving the Teachers' Pension scheme, known as the Goodwin case, differences between survivor benefits payable to members with same-sex or opposite-sex survivors have been identified within a number of public sector pension schemes. As a result, the Government have confirmed that a remedy is required in all affected public sector pension schemes, which includes the LGPS. Tayside Pension Fund's actuaries do not yet have an accurate indication of the potential impact this may have on the value of employers' liabilities or the cost of the scheme. Any indication of cost at this stage would only be a rough estimate as in a lot of cases, funds will not have this information or data to hand. It is the actuaries understanding that the Government Actuary's Department (GAD) is undertaking a review to assess the potential impact on public sector pension schemes, which the actuaries expect will be minimal for LGPS funds.

The above Contingent Liability was also disclosed at 31 March 2023.

### Equal Pay Claim

In February 2021, the trade unions submitted a collective equal pay claim on behalf of their members under the Equality Act 2010. The Claimants claim is for the full 5 year back-pay period and/or from their date of employment, if such a date is less than 5 years ago. The Claimants are employed in predominantly female jobs groups (and/or groups of which the proportion of female workers is far greater than that in the comparator groups). The claim is currently being evaluated by the Council. At this stage, it is not possible to quantify the Council's financial liability, if any.

The above Contingent Liability was also disclosed at 31 March 2023.

### Scottish Child Abuse Enquiry

Redress Scotland was set up following an act passed by the Scottish Parliament in 2021. Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021. Although Redress Scotland works with guidance and funding from the Scottish Government, it is not part of any Government department. Survivors, as an alternative to civil litigation, may choose to apply for redress. Local Authorities, as a Local Government sector, pay financial contributions towards the redress scheme and this has now been agreed as part of the Local Government Settlement and will be applied for the next 10 years.

Civil Litigation claims are still being received by the Council, both as lead authority for the former Tayside Regional Council and Dundee District Council as well as claims solely against Dundee City Council. Any uninsured claims or associated costs in respect of Dundee District Council or Dundee City Council will require to be met by Dundee City Council. The costs of these are unquantifiable at this time but will give rise to a future financial liability.

### Leisure and Culture Dundee

Leisure and Culture Dundee (LACD) has suffered considerable income shortfalls since the start of the Covid-19 pandemic, due to the effects of lockdowns and operating restrictions once facilities have re-opened. It is recognised that, whilst facilities are now fully operational, income levels will take some time to be restored to pre-pandemic levels. To provide certainty, stability and time for Leisure and Culture Dundee to develop a balanced budget from 2024/25 onwards Dundee City Council has confirmed its continuing financial support to cover the deficit position for a period until 31 March 2024. In December 2023, it was further agreed that the Chief Executive be authorised to extend the support to Leisure and Culture Dundee to 30 June 2024 should this be necessary. The Council will also continue to undertake cash flow management support to LACD to allow it to remain in credit at all times, and therefore have sufficient cash to continue to operate, thus allowing it to proceed as a going concern and meet its everyday cash liabilities.

The above Contingent Liability was also disclosed at 31 March 2023.

### 35 Contingent Assets

There were no Contingent Assets at 31 March 2024 (31 March 2023: nil).

### 36 Grant Income

The Council credited grants and contributions to the Comprehensive Income and Expenditure Statement in 2023/2024. These included the following grants and contributions:

<b>Credited to Taxation and Non-Specific Grant Income</b>	<b>2022/2023 £000</b>	<b>2023/2024 £000</b>
RSG & Non-Specific Grants	(310,066)	(277,744)
Contribution from NNDR Pool	(35,581)	(73,704)
Capital Grants	(23,073)	(38,257)
Council Tax	(60,970)	(64,124)
<b>Total</b>	<b>(429,690)</b>	<b>(453,829)</b>

<b>Credited to Services:</b>	<b>2022/2023 £000</b>	<b>2023/2024 £000</b>
UK Govt: Furlough Income	(23)	-
Various Covid - 19 Grants	(5,591)	(590)
UK Government: Levelling-Up Fund: Multiply Grant	-	(442)
UK Government: UK Shared Prosperity Fund	-	(661)
Various: Contributions to BBC Radio 1 Big Weekend	-	(216)
Scottish Government: Growth Accelerator Model	(2,039)	(2,040)
Scottish Government: Smarter Choices Smarter Places	(114)	(143)
Scottish Government: Employability	(3,260)	(2,075)
Scottish Government: Air Quality Grant	(276)	(152)
Various: Contribution to 5G Testbed	(243)	(890)
Various: Contribution toward Dundee to London flight	(741)	(2,491)
TACTRAN / SESTRAN: Active Travel Infrastructure Fund	(366)	(689)

Scottish Government: Bus Partnership Fund	(543)	(336)
SWARCO UK Ltd: Electric Vehicle Charging Project	(344)	-
Scottish Government: Switched on Fleets Grant	(234)	-
Private Sector Housing Grant	(664)	(541)
NHS Tayside: Community Equipment	(371)	(371)
NHS Tayside: Alcohol & Drugs Project Team	(1,614)	(2,464)
Angus Council: Contribution to Joint Equipment Service	(898)	(904)
NHS Tayside: Delayed Discharge Fund	(236)	(236)
NHS Tayside: Integrated Care Fund	(2,178)	(2,178)
NHS Tayside: Social Care Integration Fund	(10,102)	(10,102)
Scottish Government: Emergency Care at Home Grant	(1,469)	-
NHS Tayside: Integration	(3,203)	(2,941)
MacMillan Cancer Care: Local Authority Partnership	(229)	(345)
Hillcrest Homes: Contribution to Community Wellbeing Centre	(244)	-
UK Government, Home Office - Syrian Refugees	(329)	(222)
Various: Ukrainian Refugees	(2,235)	(2,852)
Scottish Government: ASSIST (Court Advocacy) Victim Centred Approach Fund	(469)	(589)
NHS Tayside: Contribution to various Mental Health projects	(740)	(576)
NHS Tayside: Contribution for DCIJB Operational costs	(181)	(267)
Scottish & UK Governments: Opportunities for All Grant	(124)	(191)
Big Lottery Fund: Dundee Money Action	(22)	-
Sports Council Contribution to Sports Co-ordinators	(318)	(328)
Scottish Government: Attainment Challenge - Primary	(3,947)	(2,896)
Scottish Government: Attainment Challenge - Secondary	(996)	(1,081)
Scottish Government: Pupil Equity Fund	(6,058)	(6,393)
Scottish Government: Early Learning Childcare (ELC) Delivery Model Grant	(17,600)	(16,111)
Scottish Government: Community Mental Health and Wellbeing	(645)	(460)
Scottish Government: Milk and Healthy Snack Scheme	(307)	(316)
Scottish Government: Tayside Regional Improvement Collaborative	(757)	(797)
Other LAs: Early Years Cross Border payments	(429)	(341)
Scottish Futures Trust: Share of Service Cost element for Baldrigon Academy	(294)	(315)
Scottish Government: Care Experienced Children & Young People funding	(332)	(311)
UK Home Office: Refugee Social Care costs	(661)	(601)
Criminal Justice Grant	(4,769)	(4,847)
Improvement Service: National Entitlement Card	(1,923)	(1,623)
Scottish Government: Scottish Cities Alliance	-	(563)
DWP: Rent Allowances/Rebate Subsidies (prev Housing Benefit Subsidy)	(46,298)	(46,465)
DWP: Housing Benefit / Council Tax Benefit Administration	(814)	(777)
Scottish Government: Flexible Childcare Services Scotland	-	(509)
NHS: Contribution to The Crescent	-	(230)
NHS Tayside: Shared Care Home Costs	-	(259)
Various: Contribution to Resident's Care Home costs	-	(856)
Arts Council Grants: Youth Music	-	(275)
Scottish Government: School Aged Childcare - Early Adopter Project	-	(275)
Angus Council: Contribution to Out of Hours Service	-	(212)
Other Local Authorities (Angus & P&K): Contribution to Tay Project	-	(212)
Scottish Government: Child Poverty Pathfinder	-	(302)
Other Miscellaneous Grants	(3,036)	(2,376)
<b>Total</b>	<b>(128,266)</b>	<b>(125,235)</b>

The Council has received a number of grants and contributions that have yet to be recognised as income as they have conditions attached to them that will require the monies or property to be returned to the giver.

The main balances at the year-end are as follows:

<b>Capital Grants Receipts in Advance:</b>	<b>31 March 2023</b>	<b>31 March 2024</b>
	<b>£000</b>	<b>£000</b>
Section 75 Contributions	(3,152)	(3,765)
Scottish Government: Low Carbon Transport - JIVE	(3,506)	(13)
UK Government: UK Shared Prosperity Fund	(211)	(96)
Scottish Government: Low Emission Zone	(371)	(282)
Scottish Power: Place Based Investment Funding	(638)	-
UK Govt: Department for Transport: Green Transport (Bell St)	-	(2,106)
EU: LCTT Waterfront Place Active Travel HUB ERDF Grant	-	(105)
Other Miscellaneous Capital Grants Receipts in Advance	(223)	(175)
<b>Total</b>	<b>(8,101)</b>	<b>(6,542)</b>

<b>Revenue Grants Receipts in Advance:</b>	<b>31 March 2023</b>	<b>31 March 2024</b>
	<b>£000</b>	<b>£000</b>
Improvement Service: National Entitlement Card	(738)	(679)
Scottish Cities Alliance	(254)	-
Northwood Trust: Cost of Living Funding	-	(150)
Scottish Govt/EU: Employability / PESF	(2,360)	(1,056)
UK Government: Levelling Up	(1,111)	(647)
Scottish Government: Pupil Equity Fund	(1,986)	(700)
Scottish Government: ELC Delivery Model Grant	(1,767)	-
Scottish Government: Attainment Challenge	(205)	-
UK Government, Home Office: Refugees	(573)	(571)
Scottish & UK Government: Home Office: Ukrainian Refugees	(2,786)	(3,774)
MacMillan Cancer Care: Cancer Support	(774)	-
DWP: Energy Bill Support Scheme	(575)	-
Scottish Government: Home Energy Efficiency Programmes	(249)	(582)
Other Miscellaneous Grants	(1,735)	(1,210)
<b>Total</b>	<b>(15,113)</b>	<b>(9,369)</b>

### 37 Financial Instruments

The Council is required to disclose details in respect of financial instruments, which in the main include borrowing, lending, investments, creditors and debtors. The purpose of this disclosure is to provide information regarding:

- the significance of financial instruments for the Council's financial position and performance; and
- the nature and extent of risks arising from financial instruments to which the Council is exposed and how the Council manage those risks

*Categories of financial assets and financial liabilities*

The following categories of financial instrument are carried in the Balance Sheet:

	<b>Long-term</b>		<b>Current</b>	
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Investments</b>				
Equity Instruments Designated at Fair Value Through Other Comprehensive Income & Expenditure	-	-	3,132	3,252
Unquoted equity investment at cost	29	29	-	-



<b>Total investments</b>	<b>29</b>	<b>29</b>	<b>3,132</b>	<b>3,252</b>
<b>Debtors</b>				
Loans and receivables:				
Cash and Bank	-	-	255	249
Other Short Term Deposits	-	-	12,631	15,336
Soft Loans	94	100	-	-
Other Loans at Market Rates	10,227	10,995	-	-
Financial assets carried at contract amounts:				
Sundry Debtors including trade receivables	-	-	63,271	58,378
<b>Total Debtors</b>	<b>10,321</b>	<b>11,095</b>	<b>76,157</b>	<b>73,963</b>
<b>Borrowings</b>				
Financial liabilities at amortised cost:				
Borrowing Repayable:				
Public Works Loan Board	(466,320)	(463,528)	(11,758)	(17,083)
Lender Option/Borrower Option	(41,462)	(30,975)	(415)	(417)
Other	-	(19)	(2,313)	(75,952)
Temporary Advances from Other Accounts	-	-	(1,524)	(1,645)
Bank Overdraft	-	-	(197)	(13,958)
<b>Total borrowings</b>	<b>(507,782)</b>	<b>(494,522)</b>	<b>(16,207)</b>	<b>(109,055)</b>
<b>Creditors</b>				
Financial liabilities carried at contract amount:				
Sundry creditors including trade payables	-	-	(120,116)	(98,861)
<b>Total Creditors</b>	<b>-</b>	<b>-</b>	<b>(120,116)</b>	<b>(98,861)</b>

*Income, Expense, Gains and Losses*

The gains and losses recognised in the Comprehensive Income and Expenditure Statement and movements in reserves in relation to financial instruments are disclosed below:

2022/2023 £000		2023/2024			2023/2024 Total £000
		Financial Liabilities measured at amortised cost £000	Financial Assets Loans and receivables £000	Financial Assets Investments £000	
32,434	Interest Expense	34,063	-	-	34,063
32,434	Total expense in Surplus or Deficit on the Provision of Services	34,063	-	-	34,063
(1,562)	Interest Income	-	(1,476)	(45)	(1,521)
(1,562)	Total income in Surplus or Deficit on the Provision of Services	-	(1,476)	(45)	(1,521)
460	(Gains) or Losses on revaluation	-	-	(120)	(120)
460	(Gains) or Losses in Other Comprehensive Income & Expenditure	-	-	(120)	(120)
<b>31,332</b>	<b>Net (gain)/loss for the year</b>	<b>34,063</b>	<b>(1,476)</b>	<b>(165)</b>	<b>32,422</b>

*Fair Values of Assets and Liabilities*

Financial liabilities, financial assets represented by loans and receivables and long-term debtors and creditors are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments, using the following assumptions:

- estimated ranges of interest rates at 31 March 2024 of 1.26% to 9.13% for loans from PWLB and 4.10% to 6.60% for other loans receivable and payable, based on new lending rates for equivalent loans at that date
- no early repayment or impairment is recognised
- where an instrument will mature in the next 12 months, carrying amount is assumed to approximate to fair value
- the fair value of trade and other receivables is taken to be the invoiced or billed amount.

The fair values are as follows:

		31 March 2023			31 March 2024				
Note	Carrying Amount £000	Fair Value £000	Principal Amount Outstanding £000	LOBO Accounting Adjustment £000	Add Accrued Interest £000	Carrying Amount £000	Fair Value £000		
Financial liabilities:									
Borrowing Repayable:									
Public Works Loan Board									
Lender Option/Borrower Option (LOBO)									
i	(478,078)	(416,734)	(476,339)	-	(4,272)	(480,611)	(387,646)		
i	(41,877)	(38,882)	(30,000)	(975)	(417)	(31,392)	(25,188)		
i	(2,313)	(2,313)	(75,952)	-	-	(75,952)	(75,952)		
Temporary Advances from Other Accounts									
ii	(1,524)	(1,524)	(1,665)	-	-	(1,665)	(1,665)		
Bank Overdraft									
iii	(197)	(197)	(197)	-	-	(13,958)	(13,958)		

i) Borrowing Repayable

The fair value for borrowing repayable is greater than the carrying amount because the Council's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the rates available for similar loans at the Balance Sheet date.

Valuation Method - The fair value of these financial instruments have been determined by calculating the Net Present Value (NPV) of future cash flows, which provides an estimate of the value of payments in the future in today's terms. The discount rate used in the NPV calculation is equal to the current rate in relation to the same instruments from a comparable lender. This will be the rate applicable in the market on the date of valuation, for an instrument with the same duration i.e. equal to the outstanding period from valuation date to maturity. The structure and terms of comparable instruments should be the same, although for complex structures it is sometimes difficult to obtain the rate for an instrument with identical features in an active market.

Evaluation of Public Works Loan Board debt - The Council has applied the new borrowing rate, as opposed to the premature repayment rate as the discount factor for all PWLB borrowing. This is because the premature repayment rate includes a margin that represents the lender's profit as a result of rescheduling the loan that is not included in the fair value calculation since any motivation other than securing fair price should be ignored.

Inclusion of accrued interest - The purpose of the fair value disclosure is primarily to provide a comparison with the carrying value in the Balance Sheet. Since this will include accrued interest as at the Balance Sheet date, this has also been accrued in the fair value calculation. This figure is calculated up to and including the valuation date.

Discount rates used in NPV calculation - The rates quoted in this valuation were obtained for the market on 31 March 2024, using bid prices where applicable.

Market Debt - Valuations use the Net Present Value approach, which provides an estimate of the value of payments in the future in today's terms. This is a widely accepted valuation technique commonly used by the private sector. The discount rate used in the NPV calculation should be equal to the current rate in relation to the same instrument from a comparable lender. This will be the rate applicable in the market on the date of valuation, for an instrument with the same duration i.e. equal to the outstanding period from valuation date to maturity. The structure and terms of the comparable instrument should be the same, although for complex structures it is sometimes difficult to obtain the rate for an instrument with identical features in an active market. In such cases, we have used the prevailing rate of a similar instrument with a published market rate, as the discount factor

ii) Temporary Advances from Other Accounts

These amounts relate to the balances from Charities and Common Good Funds. These include cash balances that are effectively loaned to the Council on a short-term basis and other short-term loans to the Council's Consolidated Loans Fund. Interest is payable by the Council on all balances outstanding. The current value and fair value of these balances are deemed to be the same amount.

iii) Bank Overdraft

The fair value is the same as the carrying amounts as these balances relate to short term borrowing with the Council's bank.

	Note	31 March 2023		31 March 2024	
		Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value £000
Loans and receivables:					
Cash and Bank	i	255	255	249	249
Other Short term Deposits	i	12,631	12,631	15,336	15,336
Short-term debtors:					
Soft Loans	ii	-	-	-	-
Long-term debtors:					
Other Loans at Market rates	iii	11,812	11,812	12,765	12,765

iv) Cash and Bank / Other Short-term Deposits

The fair value is the same as the carrying amounts as these balances relate to short term lending or deposits held with the Council's bank.

v) Soft Loans

The fair value of these loans is the same as the carrying amount. These loans comprise of a small number of loans that the Council has made to external parties at less than market rates. Soft loans have been restated from historical cost to fair value basis by discounting future cash receipts using the prevailing market rate of interest.

vi) Other Loans at Market Rates

These balances are made up of loans to various bodies at market rates and are included on the Council's Balance Sheet as long-term debtors. As these loans are held at market rates the carrying value and fair value will not be materially different.

Available for sale assets are carried in the Balance Sheet at their fair value. These fair values are based on their current market price which is also the value they are included at in the Council's Balance Sheet.

Short-term debtors and creditors including trade receivables and payables are carried at cost as this is a fair approximation of their value.

### **38 Nature and Extent of Risks Arising from Financial Instruments**

The Council's activities expose it to a variety of financial risks:

- credit risk – the possibility that other parties might fail to pay amounts due to the Council
- liquidity risk – the possibility that the Council might not have funds available to meet its commitments to make payments
- interest rate risk – the possibility that financial loss might arise for the Council as a result of changes in such measures as interest rates and stock market movements.

The Council's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out by the Financial Services and Investment Manager, under policies approved by Dundee City Council in the annual treasury management strategy. Dundee City Council maintains written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk and the investment of surplus cash.

#### ***Credit risk***

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the council's customers.

This risk is minimised through the Annual Investment Strategy, which requires that deposits are not made with financial institutions unless they meet identified minimum credit criteria, as laid down by Fitch, Moody's and Standard and Poors. The Annual Investment Strategy also imposes a maximum sum to be invested with a financial institution located within each category.

The credit limits in respect of financial assets held by the council are as detailed below:

- F1+ £12m
- F1 £10m
- AAAmf - Money Market Funds £10m
- UK Local Authorities £10m
- Debt Management Agency £10m
- Part Nationalised UK Banks £5m (with a minimum holding of 20% as per Capita Asset Services approach)
- OEICs - Government Liquidity, Gilt, Bond and Equity Funds\* - 70% of asset class with any one institution

\* Common Good and Insurance Funds only or at discretion of Executive Director of Corporate Services – see section 7 "Treasury Risk Register"

Customers for goods and services are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings in accordance with parameters set by Dundee City Council.

The Council's maximum exposure to credit risk in relation to its investments in banks and building societies of £12m cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities in UK to be unable to meet their commitments. A risk of irrecoverability applies to all of the Council's deposits, but there was no evidence at the 31 March 2024 that this was likely to crystallise.

The following analysis summarises the Council's potential maximum exposure to credit risk on other financial assets, based on experience of default and uncollectability over the last five financial years, adjusted to reflect current market conditions.

	Amount at 31 March 2024 £000	Historical experience of default %	Historical experience adjusted for market conditions at 31 March 2024 %	Estimated maximum exposure to default and uncollectability at 31 March 2024 £000	Estimated maximum exposure at 31 March 2023 £000
	A	B	C	(A x C)	
Financial Institutions (F1)	15,336	-	-	-	-

No credit limits were exceeded during the reporting period and the Council does not expect any losses from non-performance by any of its counterparties in relation to deposits and bonds.

**Liquidity risk**

The Council has a comprehensive cash flow management system that seeks to ensure that cash is available as needed. If unexpected movements happen, the Council has ready access to borrowings from the money markets and the Public Works Loans Board. There is no significant risk that it will be unable to raise finance to meet its commitments under financial instruments. Instead, the risk is that the Council will be bound to replenish a significant proportion of its borrowings at a time of unfavourable interest rates. The Council sets limits on the proportion of its fixed rate borrowing during specified periods. The maturity analysis of financial liabilities is as follows:

	31 March 2023 £000	31 March 2024 £000
Less than one year	9,821	88,188
Between one and two years	12,509	10,010
Between two and five years	27,533	27,536
Between five and ten years	15,027	15,014
More than ten years	451,270	441,270
	<b>516,160</b>	<b>582,018</b>

All trade and other payables are due to be paid in less than one year.

**Interest rate risk**

The Council is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council. For instance, a rise in interest rates would have the following effects:

- borrowings at variable rates – the interest expense charged to the Surplus or Deficit on the Provision of Services will rise
- borrowings at fixed rates – the fair value of the liabilities borrowings will fall
- investments at variable rates – the interest income credited to the Surplus or Deficit on the Provision of Services will rise
- investments at fixed rates – the fair value of the assets will fall

Borrowings are not carried at fair value, so nominal gains and losses on fixed rate borrowings would not impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund Balance. Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in Other Comprehensive Income and Expenditure.

The Council has a number of strategies for managing interest rate risk. The policy is to aim to keep a maximum of 30% of its borrowings in variable rate loans. During periods of falling interest rates, and where economic circumstances make it favourable, fixed rate loans will be repaid early to limit exposure to losses. The risk of loss is ameliorated by the fact that a proportion of government grant payable on financing costs will normally

move with prevailing interest rates or the Council's cost of borrowing and provide compensation for a proportion of any higher costs.

The treasury management section has an active strategy for assessing interest rate exposure that feeds into the setting of the annual budget and which is used to monitor the budget quarterly during the year. This allows any adverse changes to be accommodated. The analysis will also advise whether new borrowing taken out is fixed or variable.

According to this assessment strategy, at 31 March 2024, if interest rates had been 1% higher with all other variables held constant, the financial effect would be:

	<b>£000</b>
Increase in interest payable on variable rate borrowings	757
Increase in interest receivable on variable rate investments	Nil
Impact on Surplus or Deficit on the Provision of Services	757
Share of overall impact debited to the HRA	220
Decrease in fair value of fixed rate investment assets	Nil
Impact on Other Comprehensive Income and Expenditure	Nil
Decrease in fair value of fixed rate borrowings liabilities (no impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure)	50,352

The impact of a 1% fall in interest rates would be as above but with the movements being reversed.

**Price risk**

The Council does not generally invest in equity shares but does have shareholdings to the value of £7,500 Ordinary B shares in Discovery Education Companies. These 'B' shares have no right to participate in the profits of the Company and no distributions of any kind, nor do they carry any voting rights at any general meeting of the company. As the shareholdings have arisen in the acquisition of specific interests, the Council is not in a position to limit its exposure to price movements by diversifying its portfolio. Instead it only acquires shareholdings in return for 'open book' arrangements with the company concerned so that the council can monitor factors that might cause a fall in the value of specific shareholdings.

**Foreign exchange risk**

The Council has no financial assets or liabilities denominated in foreign currencies and thus has no exposure to loss arising from movements in exchange rates.

**39 Charities Account (Registered Charities)**

During 2023/2024, the Council acted as sole Trustee for 6 registered Charities. The following Charitable Trusts and Endowments were registered with the Office of the Scottish Charity and Regulator (OSCR):

<b>Name</b>	<b>OSCR registration</b>	<b>Accounting basis</b>
A: Belmont Estate Trust	SC018900	Receipts and Payments
B: Camperdown Estate	SC018899	Receipts and Payments
C: William Dawson Trust	SC018920	Receipts and Payments
D: Hospital Fund	SC018896	Receipts and Payments
E: The Dundee Trust	SC046260	Receipts and Payments
F: Fleming Trust	SC052182	Accruals, FRS102

The Income and Expenditure Account below summarises the transactions in the year and the Balance Sheet summarises the assets and liabilities at the year end.

2022/2023 (restated) £000	Income and Expenditure						2023/2024	
		A £000	B £000	C £000	D £000	E £000	F £000	Total £000
(436)	Rental income	(8)	-	-	(49)	-	(422)	(479)
(46)	Interest on investments	-	-	-	(34)	-	(92)	(126)
<b>(482)</b>	<b>Total income</b>	<b>(8)</b>	<b>0</b>	<b>0</b>	<b>(83)</b>	<b>0</b>	<b>(514)</b>	<b>(605)</b>
512	Expenditure	8	-	-	35	-	266	309
<b>30</b>	<b>Net (income) / expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(48)</b>	<b>0</b>	<b>(248)</b>	<b>(296)</b>

### Balance Sheet

2022/2023 (restated) £000							2023/2024	
		A £000	B £000	C £000	D £000	E £000	F £000	Total £000
	<b>Fixed Assets</b>							
8,668	Dwellings	236	157	-	-	-	8,049	8,442
2,210	Land and Buildings	-	2,603	149	-	-	-	2,752
395	Community Assets	185	169	40	1	-	-	395
59	Infrastructure	26	33	-	-	-	-	59
2,027	Investment Properties	1,763	82	-	384	-	-	2,229
<b>13,359</b>	<b>Total Fixed Assets</b>	<b>2,210</b>	<b>3,044</b>	<b>189</b>	<b>385</b>	<b>0</b>	<b>8,049</b>	<b>13,877</b>
444	Cash at Bank	-	-	-	-	-	407	407
65	Debtors	-	-	-	-	-	57	57
2,870	Funds deposited with DCC Loans Fund	185	3	7	815	-	308	1318
<b>3,379</b>	<b>Total Current Assets</b>	<b>185</b>	<b>3</b>	<b>7</b>	<b>815</b>	<b>0</b>	<b>772</b>	<b>1782</b>
(2,202)	Creditors	-	-	-	-	-	(83)	(83)
<b>1,177</b>	<b>Net Current Assets</b>	<b>185</b>	<b>3</b>	<b>7</b>	<b>815</b>	<b>0</b>	<b>689</b>	<b>1699</b>
<b>14,536</b>	<b>Net Assets</b>	<b>2,395</b>	<b>3,047</b>	<b>196</b>	<b>1,200</b>	<b>0</b>	<b>8,738</b>	<b>15,576</b>
	<b>Analysis of Fund Balances</b>							
5,084	Revaluation Reserve	2,209	3,044	189	385	-	-	5,827
9,452	Revenue Reserve	186	3	7	815	-	8,738	9,749
<b>14,536</b>	<b>Total reserves</b>	<b>2,395</b>	<b>3,047</b>	<b>196</b>	<b>1,200</b>	<b>0</b>	<b>8,738</b>	<b>15,576</b>

### NATURE AND PURPOSE

The nature and purpose of the Funds' detailed above is as follows:

#### A: Belmont Trust Estate

Estate gifted in 1918 by the late Mrs Emma Caird or Marryat of Roseangle, Dundee, in memory of her husband and her brothers, to be utilised for the benefit of the citizens of Dundee. The Trust's total reserves were £2.395m as at 31 March 2023 (31 March 2023: £2.193m).

#### B: Camperdown Estate Trust

Purchased in the interest and for the benefit of the Community on 11 November 1945, at a cost of £58,100 which was provided by the Sir James Caird Land Acquisition Fund. The Trust's total reserves were £3.047m as at 31 March 2023 (31 March 2023: £2.505m).

#### C: William Dawson Trust

Residue of estate handed over to the Lord Provost and Magistrates of the City of Dundee as trustees in 1948, for the purpose of acquiring ground for use as playing fields in wards X and XI. The Trust's total reserves were £0.196m as at 31 March 2023 (31 March 2023: £0.196m).

**D: Hospital Fund**

This Fund was established under the Dundee Churches and Hospital Act 1864, on behalf of the poor of the town. An annual payment of £80 is made from the Fund to local pensioners who require financial assistance. The Fund's total reserves were £1.200m as at 31 March 2023 (31 March 2023: £1.152m).

**E: The Dundee Trust**

The Dundee Trust was awarded charitable status by the Office of the Scottish Charity Regulator (OSCR) and was entered in the Scottish Charity Register on 15 January 2016. The various charitable purposes of The Dundee Trust are recorded in the Trust Deed, signed on 17 November 2015. During the 2017/2018 financial year, the Trust received donations totalling £69,927 as a result of the reorganisation of thirteen charitable trusts for which Dundee City Council acted as sole trustee. These donations, together with interest accruing, have now been fully distributed by the Dundee Trust, in line its stated charitable purposes. The Trust's total reserves as at 31 March 2024 were £ nil (31 March 2023 £ nil). The Dundee Trust was removed from the OSCR charity register on 24 April 2024 and is therefore no longer a registered charity after that date.

**F: Fleming Trust**

This Trust was established with sums gifted in 1929 by Robert Fleming for the purchase of land and buildings and the provision of suitable accommodation for re-housing the displaced occupants of slum property in Dundee. The Trust's total reserves were £8.738m as at 31 March 2024 (31 March 2023: £8.490m).

**40 Charities Account (Unregistered Charities)**

The Council acts as sole Trustee for 4 unregistered charities. These are the Broughty Ferry Lifeboat Disaster Fund, TRC Trusts, Miss Kinloch Fund and Orchar Art Gallery Trust.

The Income & Expenditure Account below summarises the transactions in the year and the Balance Sheet summarises the assets and liabilities at the year end.

<b>Income &amp; Expenditure</b>		
<b>2022/2023 (restated) Total £000</b>		<b>2023/2024 Total £000</b>
(8)	Income	(22)
-	- Expenditure	-
<b>(8)</b>	<b>Net (income) / expenditure</b>	<b>(22)</b>
<hr/>		
<b>2023 (restated) £000</b>	<b>Balance Sheet as at 31 March</b>	<b>2024 £000</b>
<b>Current Assets</b>		
513	Funds deposited with DCC Loans Fund	535
<b>513</b>	<b>Net Assets</b>	<b>535</b>
<hr/>		
<b>Financed By Fund Balances and Reserves Available for Use:</b>		
513	Fund Balances	535
<b>513</b>		<b>535</b>



**41 Heritage Assets**

*Reconciliation of the Carrying Value of Heritage Assets held by the Council*

	<b>Museum &amp; Art Gallery Collections £000</b>	<b>Other Heritage Assets £000</b>	<b>Total Assets £000</b>
1 April 2023	18,669	2,273	20,942
Additions	-	-	-
Revaluations	(150)	-	(150)
<b>31 March 2024</b>	<b>18,519</b>	<b>2,273</b>	<b>20,792</b>

**Museum and Art Gallery Collections**

The valuation disclosed in the balance sheet is based on the assessment by the Council’s insurers of the replacement value of the collection. Items valued in excess of £100,000 are detailed individually in the Museums Insurance schedule and these make up the total of assets included in this category.

**Other Heritage Assets**

This includes the Desperate Dan statue, Balgay Bridge and Linlathen Bridge.

**Additions & Disposals of Heritage Assets**

Additions in 2023/2024 - £Nil (2022/2023 - £Nil)

There were no disposals in 2023/2024 (2022/2023 - none)

**42 Heritage Assets: Further Information**

**Museum and Art Gallery Collections**

The Dundee Art Galleries and Museums Collection which is largely housed at the McManus Art Gallery & Museum in the City Centre, forms the major part of the heritage assets held by the Council.

The Art Gallery & Museum’s major collection groups include Community History, Decorative Arts/Crafts, Early History, Fine Art, Natural History, Social History and World Cultures.

**Community History**

Collections of objects relating to the community and domestic life of Dundee, including civic history and recreation, along with costume.

**Decorative Arts / Crafts**

The collection of Scottish Provincial Silver consists of about 400 items, with excellent coverage of all known Dundee makers. Ceramics range from ornamental Japanese Satsuma ware and English 18th century porcelain to an expanding collection of contemporary Studio ceramics by mainly Scottish makers.

**Early History**

These collections comprise regional archaeology dating from prehistoric times to the Middle Ages drawn from the Dundee area, foreign artefacts representing ancient Egypt and more recent world culture, and an extensive collection of coins and medals.

**Fine Art**

This collection of over 4,000 works consists of oil paintings, watercolours, drawings, artists’ prints and sculptures. Excellent coverage of 19th and 20th century Scottish Art with notable Dundee artists, John Duncan and McIntosh Patrick, and fine art photography by Joseph McKenzie are included in this collection.

**Natural History**

This section includes geological and botanical collections along with vertebrate and invertebrate zoology material.

**Social History**

This collection includes areas of interest ranging from Dundee’s industrial and working history, to shipbuilding and transport.

**World Cultures**

This collection includes fascinating material from different cultures around the world, including artefacts brought back to Dundee by whalers, and important ‘early contact’ material from the 1874 Moresby expedition to Papua New Guinea.

Further information about these and other collections can be found at [here](#).

**Library Collections of Rare Books, Manuscripts and Archives**

The Rare Book Collections, Manuscripts and Archives are mainly held in the Central Library.

Among the collections and features are:

- Maps & plans – a wide range of maps and plans from early times to date,
- Lamb Collection, a unique resource of 450 archive boxes of ephemera, dating mainly from the latter part of the nineteenth century,
- Taybridge Disaster – a wealth of maps, plans, books, documents, drawings and photographs on the two Tay rail bridge disasters,
- A wide-ranging collection of works by and about William McGonagall
- Rare books and manuscripts – Dundee possessed one of Europe’s earliest municipal libraries

Further information about these and other collections can be found [here](#).

**Preservation and Management**

The Director, Leisure & Communities, is responsible for making arrangements for the proper administration of the Galleries and Museums Collections. Assets are collated, preserved and managed in accordance with The Council’s policy on management, acquisitions and disposals, as detailed in the Collections Development Policy 2024-2029. The full policy document can be found [here](#).

**43 Other Long-Term Liabilities**

	31 March 2023 £000	31 March 2024 £000
PPP Schools Liability	56,656	53,467
DBFM School Liability (Baldragon)	23,123	22,159
Service Concession Arrangement Liability (Waste Project)	57,170	55,981
Financing Arrangement (Dundee House)	22,154	21,778
Burial Grounds Perpetuity Fund	93	93
<b>Total</b>	<b>159,196</b>	<b>153,478</b>

**44 Long Term Debtors**

	31 March 2023 £000	31 March 2024 £000
Advances to Tayside Contracts for capital expenditure	8,270	9,229
Loans to other organisations	459	462
Housing loans / mortgages	1,592	1,404
<b>Total</b>	<b>10,321</b>	<b>11,095</b>

**45 Service Income and Expenditure Including Internal Recharges**

The service lines in the Comprehensive Income and Expenditure Statement exclude internal recharges (controllable budgets). The income and expenditure for each service, inclusive of internal recharges, are shown below:

	2023/2024			
	Gross Expenditure £000	Gross Income £000	Net Expenditure / (Income) £000	Internal Recharging Adj £000
Children & Families Services	238,568	(40,714)	197,854	-
Budgets Delegated to Dundee Health & Social Care Partnership	258,180	(154,486)	103,694	-
City Development	118,257	(41,931)	76,326	14,454

Neighbourhood Services	45,597	(18,241)	27,356	6,171
Chief Executive	17,920	(2,193)	15,727	-
Corporate Services	94,019	(58,193)	35,826	6,536
Construction	26,881	(26,976)	(95)	20,423
Housing Revenue Account	78,585	(58,330)	20,255	561
Discretionary NDR Relief	497	-	497	-
Tayside Valuation Joint Board	802	-	802	-
Miscellaneous Items	6,269	(2,437)	3,832	1,047
<b>Cost Of Services</b>	<b>885,575</b>	<b>(403,501)</b>	<b>482,074</b>	<b>49,192</b>

	<b>2022/2023</b>			
	<b>Gross Expenditure £000</b>	<b>Gross Income £000</b>	<b>Net Expenditure / (Income) £000</b>	<b>Internal Recharging Adj £000</b>
Children & Families Services	237,509	(42,971)	194,538	-
Budgets Delegated to Dundee Health & Social Care Partnership	259,968	(153,985)	105,983	-
City Development	119,912	(38,226)	81,686	14,679
Neighbourhood Services	43,017	(16,639)	26,378	5,727
Chief Executive	16,725	(2,241)	14,484	-
Corporate Services	100,338	(57,869)	42,469	5,916
Construction	29,319	(25,789)	3,530	17,202
Housing Revenue Account	66,132	(58,649)	7,483	518
Discretionary NDR Relief	422	-	422	-
Tayside Valuation Joint Board	1,021	-	1,021	-
Miscellaneous Items	4,282	(1,879)	2,403	1,183
<b>Cost Of Services</b>	<b>878,645</b>	<b>(398,248)</b>	<b>480,397</b>	<b>45,225</b>

#### 46 Revenue from Contracts with Service Recipients

Amounts included in the Comprehensive Income and Expenditure Statement for contracts with service recipients:

<b>2022/2023 £000</b>	Revenue from contracts with service recipients:	<b>2023/2024 £000</b>
<b>52,115</b>	Housing Rents	53,671
<b>2,788</b>	Sheltered Housing Charge	2,968
<b>2,347</b>	Temporary Accommodation Properties	2,994
<b>5,634</b>	Residential Care	6,505
<b>472</b>	Non Residential Care	679
<b>859</b>	School Meals	1,072
<b>473</b>	Social Care Meals	547
<b>2,903</b>	Off Street Parking	3,279
<b>1,665</b>	On Street Parking	2,459
<b>1,130</b>	Building Warrants	636
<b>785</b>	Planning Applications	840
<b>815</b>	Trade Waste	855
<b>488</b>	Special Collections	537
<b>895</b>	Garden Waste Collections	900
<b>506</b>	Licensing	598
<b>723</b>	Burial Ground Charges	633
<b>1,739</b>	Miscellaneous	2,078
<b>76,337</b>	<b>Total Included in Comprehensive Income and Expenditure</b>	<b>81,251</b>

**47 Capital Grants & Receipts Unapplied Account**

	31 March 2023 £000	31 March 2024 £000
Capital Grants	1,048	354
Future Transformation Projects	327	-
<b>Total</b>	<b>1,375</b>	<b>354</b>

**48 Debtors for Local Taxation**

	31 March 2023 £000	31 March 2024 £000
<b>Up to One Year:</b>		
Council Tax	255	1,529
NDRI	435	136
<b>Total</b>	<b>690</b>	<b>1,665</b>
<b>Over One Year:</b>		
Council Tax	1,736	522
NDRI	4,729	6,193
<b>Total</b>	<b>6,465</b>	<b>6,715</b>
<b>Total</b>		
Council Tax	1,991	2,051
NDRI	5,164	6,329
<b>Total</b>	<b>7,155</b>	<b>8,380</b>

**49 TAY CITIES REGION DEAL - LEAD AUTHORITY DISCLOSURES**

The Tay Cities Region Deal was signed on 17th December 2020. It represents an investment in the Tay Cities region by the Scottish and UK Governments of £150 million each over 10 years. The City Region Deal seeks to transform the regional economy by delivering inclusive growth: raising the productivity of the region and increasing the participation of its workforce.

During 2023/2024, 4 project Business Cases were approved by the Tay Cities Region Joint Committee. Full Business case approval from the Joint Committee is required ahead of any drawdown of the funding.

During 2023/2024, £43.529m drawdown of government grant had been made successfully. This included £13.0m of accelerated funding, over what was agreed at the Deal signing. At the 31st March 2024, Grant due from Scottish Government was £13.989m and Grant payments due to projects were £13.989m.

Dundee City Council acts as the Accountable Body for the Tay Cities Region Deal.

The analysis of funding awarded to individual projects and drawdown of grant is shown in the table below, which reflects both Capital and Revenue projects.

Project	Grant Award £000	Funded By SG £000	Funded By UKG £000	2023/24 Approved Allocation £000	2023/24 Grant Claimed £000	2023/24 Grant Approved during year £000	Grant Claims and Payments Outstanding as at 31 March £000
Dundee Airport Investment	8,900	8,900	-	-	-	-	-
Perth Bus & Rail Interchange	15,000	15,000	-	-	-	-	-
Low Carbon Transport & Active Travel Hubs	3,500	3,500	-	633	274	274	11
Advanced Manufacturing Programme	8,000	8,000	-	-	-	-	-
Advanced Plant Growth Centre	27,000	7,000	20,000	11,485	11,485	11,485	2,751
International Barley Hub	35,000	10,000	25,000	12,847	13,679	13,679	3,733
Angus Fund	26,500	-	26,500	4,507	-	-	-
CyberQuarter	11,700	6,000	5,700	943	248	248	248
Eden Campus	26,500	2,000	24,500	-	-	-	-
Just Tech	15,000	-	15,000	-	-	-	-

Project	Grant Award £000	Funded By SG £000	Funded By UKG £000	2023/24 Approved Allocation £000	2023/24 Grant Claimed £000	2023/24 Grant Approved during year £000	Grant Claims and Payments Outstanding as at 31 March £000
Growing the Tay Cities BioMedical Cluster	25,000	25,000	-	7,491	12,868	12,868	3,689
Perth Cultural Transformation (Perth Museum)	10,000	-	10,000	-	-	-	-
Pitlochry Festival Theatre	10,000	10,000	-	-	2,506	2,506	1,873
Project Beacon	5,200	-	5,200	-	-	-	-
Perth Innovation Highway	5,000	-	5,000	990	-	-	-
Regional Culture and Tourism Programme	27,000	27,000	-	2,582	191	191	155
Studio Dundee	3,000	3,000	-	-	-	-	-
Aviation Academy for Scotland	8,100	-	8,100	-	-	-	-
Rural Angus & Rural Perth and Kinross Highspeed Broadband	2,000	-	2,000	-	6	6	-
5G Digital Testbeds	2,000	2,000	-	747	899	899	424
Tay Cities Engineering Partnership	1,401	1,401	-	345	317	317	318
Innerpeffray Library	100	-	100	-	-	-	-
Aero Space Kinross	1,600	-	1,600	-	-	-	-
Crieff International Highland Centre	1,000	-	1,000	-	-	-	-
Stretch Dome Simulator	300	-	300	-	-	-	-
<b>Total Capital Grant</b>	<b>278,801</b>	<b>128,801</b>	<b>150,000</b>	<b>42,570</b>	<b>42,473</b>	<b>42,473</b>	<b>13,202</b>

Regional Skills and Employability Investment Programme	20,000	20,000	-	1,505	691	691	463
Tay Cities Engineering Partnership	599	599	-	97	60	60	19
Dundee Airport Investment	600	600	-	-	305	305	305
<b>Total Revenue Grant</b>	<b>21,199</b>	<b>21,199</b>	<b>-</b>	<b>1,602</b>	<b>1,056</b>	<b>1,056</b>	<b>787</b>
<b>TOTAL</b>	<b>300,000</b>	<b>150,000</b>	<b>150,000</b>	<b>44,172</b>	<b>43,529</b>	<b>43,529</b>	<b>13,989</b>

The Programme Management Office (PMO) supports the governance of the deal by completing operational tasks necessary to implement the Tay Cities Deal programme. The income and expenditure of the PMO is summarised in the table below:

	<b>2022/2023</b>	<b>2023/2024</b>
	<b>£000</b>	<b>£000</b>
Expenditure	339	399
Income	(355)	(465)
<b>Net Expenditure</b>	<b>(16)</b>	<b>(66)</b>

The PMO is funded from partner local authorities, Higher and Further Education and Research partners. A combined underspend of £110,000 was carried forward to 2023/2024.

Further information can be found at: [www.taycities.co.uk](http://www.taycities.co.uk)

## 50 Low Emission Zone Statement of Account

Dundee City Council introduced a Low Emission Zone (LEZ) within Dundee city centre on 30th May 2022, with a two year grace period. This means that between 30th May 2022 and 29th May 2024 drivers were not fined for entering the LEZ with a non-compliant vehicle. Enforcement started on Thursday 30th May 2024. All costs incurred to date were incurred as a result of planning, designing and implementing the LEZ. These were funded by various grants as detailed below.

The Dundee City LEZ was introduced to address air pollution in the city centre, mainly nitrogen dioxide (NO<sub>2</sub>) caused by road traffic. An LEZ is an area where only certain vehicles are allowed to enter based on their emissions standards. Low emission zones have now been introduced in the four biggest cities in Scotland - Aberdeen, Edinburgh, Glasgow and Dundee in line with the legislation issued by the Scottish Government - The Low Emission Zones (Scotland) Regulations 2021.

	2019/2020 £000	2020/2021 £000	2021/2022 £000	2022/2023 £000	2023/2024 £000
<b>Expenditure</b>					
Signage				7	89
IT Consultancy for Enforcement Software			2	2	
Planning			150	341	122
Computer Software					101
Consultancy Support (Revenue)	1				
Equipment			1		
Communications					
Design/Development			2		
Other Revenue					
<b>Total Expenditure</b>	<b>1</b>	<b>-</b>	<b>155</b>	<b>350</b>	<b>312</b>
<b>Income</b>					
Transport Scotland (LEZ) Revenue	1		3		
Transport Scotland (LEZ) Capital			152	350	312
<b>Total Income</b>	<b>1</b>	<b>-</b>	<b>155</b>	<b>350</b>	<b>312</b>



The Council Tax Income Account (Scotland) shows the gross income raised from council taxes levied and deductions made under statute. The resultant net income is transferred to the Comprehensive Income and Expenditure Statement of the authority.

<b>2022/2023</b>		<b>2023/2024</b>
<b>£000</b>		<b>£000</b>
94,794	Gross Council Tax levied and contributions in lieu	99,974
(83)	Adjustments for prior years Council Tax	(77)
94,711		99,897
	Adjusted for:	
(19,385)	Other discounts and reductions	(20,616)
(13,323)	Council Tax Reduction Scheme	(13,666)
(1,033)	Provision for Non-collection	(1,491)
<b>60,970</b>	<b>Net Council Tax Income per the Comprehensive Income and Expenditure Account</b>	<b>64,124</b>

The calculation of the Council Tax Base 2023/24:

	No of Dwellings	No of Exemptions	Disabled Relief	Discounts 25%	Discounts 50%	Total Equivalent Dwellings	Ratio to Band D	Band D Equivalents
<b>Band A</b>	28,060	3,333	37	16,728	621	20,164	240/360	13,460
<b>Band B</b>	17,291	1,602	62	8,039	291	13,497	280/360	10,498
<b>Band C</b>	9,874	1,006	67	3,834	122	7,830	320/360	6,960
<b>Band D</b>	9,598	551	68	2,966	95	8,248	360/360	8,248
<b>Band E</b>	7,741	754	70	1,817	72	6,444	473/360	8,467
<b>Band F</b>	2,560	88	29	487	31	2,314	585/360	3,760
<b>Band G</b>	1,142	24	9	192	14	1,052	705/360	2,060
<b>Band H</b>	40	8	-	6	2	29	882/360	71
						<b>TOTAL</b>		53,524
						<b>Provision for non-collection (3.2%)</b>		(1,713)
						<b>Council Tax Base</b>		51,812

Dwellings fall within a valuation band between A to H which is determined by the Assessor. The Council Tax charge is calculated using the Council Tax Base i.e. Band D equivalents. This value is then increased or decreased depending on the band. Based on the Council Tax base available to Dundee City Council, the band D charge for 2023/2024 was £1,486.

Dundee City Council £ per year for 2023/2024:

<b>Band A</b>	£990.95
<b>Band B</b>	£1,156.11
<b>Band C</b>	£1,321.27
<b>Band D</b>	£1,486.43
<b>Band E</b>	£1,953.00
<b>Band F</b>	£2,415.45
<b>Band G</b>	£2,910.93
<b>Band H</b>	£3,641.75

National Non Domestic Rates (NNDR) income is collected by local authorities, but all income is then remitted to the Scottish Government, where it is pooled nationally, and re-distributed back to local authorities along with the Revenue Support Grant.

<b>2022/2023</b>		<b>2023/2024</b>
<b>£000</b>		<b>£000</b>
98,509	Gross rates levied and contributions in lieu	100,334
	Less:	
(29,262)	Reliefs and other deductions	(27,599)
(4,458)	Write Off of uncollectable debt and allowance for impairment	(6,907)
<b>64,789</b>	<b>Net Non-Domestic Rate Income</b>	<b>65,828</b>
15,692	Adjustment to Previous Years' Non-Domestic Rates	8,528
<b>80,481</b>	<b>Total Non-Domestic Rate Income (before local authority retentions)</b>	<b>74,356</b>
-	Non-Domestic Rates Retained by Authority	-
<b>80,481</b>	<b>Contribution to Non-Domestic Rate Pool</b>	<b>74,356</b>

### Net Rateable Value Calculation

The amount paid for NNDR is determined by the rateable value placed on the property by the Assessor multiplied by the rate per £, which is determined each year by the Scottish Government. The basic property rate NNDR poundage set by the Scottish Government for 2023/2024 was £0.498, the intermediate property rate was £0.511, payable when rateable value is between £51,000 and £100,000, and the higher property rate was £0.524, payable when rateable value exceeds £100,000.

	<b>2023/2024</b>
	<b>£</b>
<b>Analyses of Rateable Values:</b>	
Rateable Value at 1/04/2023	193,118,000
Running Roll (Full Year Rateable Value)	-
Rateable Value at 31/03/2024	193,303,000
Less: Wholly Exempt	(1,405,000)
<b>Net Rateable Value at 31/03/2024</b>	<b>191,898,000</b>
<b>Dundee City Council's Rateable Values at 1 April 2024</b>	<b>£000</b>
Commercial	88,829
Industrial and Freight Transport	33,638
Public Undertakings	9,373
Others	61,463
<b>Total</b>	<b>193,303</b>

**Housing Revenue Account - Income & Expenditure Statement**

The HRA Income and Expenditure Statement shows the economic cost in the year of providing housing services in accordance with generally accepted accounting practices, rather than the amount to be funded from rents and government grants. Authorities charge rents to cover expenditure in accordance with the legislative framework; this may be different from the accounting cost. The increase or decrease in the year, on the basis upon which rents are raised, is shown in the Movement on the Housing Revenue Account Statement.

2022/2023 £000	Notes	2023/2024 £000
<b>Income</b>		
52,115	Dwelling Rents	53,671
831	Non-dwelling Rents	844
5,608	Any Other Income	3,717
<b>58,554</b>	<b>Total Income</b>	<b>58,232</b>
<b>Expenditure</b>		
(22,213)	Repairs and Maintenance	(25,708)
(14,157)	Supervision and Management	(14,811)
(302)	Rent, rates, taxes and other charges	(274)
(27,322)	Depreciation and Impairment on Non-Current Assets	(35,700)
(2,043)	Movement in the Impairment Allowance for Non-Trade Debtors	5 (1,994)
<b>(66,037)</b>	<b>Total Expenditure</b>	<b>(78,487)</b>
<b>(7,483)</b>	<b>Net Cost of HRA Services as included in the Comprehensive Income and Expenditure Statement</b>	<b>(20,255)</b>
(525)	HRA Services' Share of Corporate and Democratic Core	(459)
<b>(8,008)</b>	<b>Net Cost for HRA Services</b>	<b>(20,714)</b>
HRA share of the operating income and expenditure included in the Comprehensive Income and Expenditure Statement:		
16	Gain or (Loss) on Sale of HRA Non-Current Assets	107
(6,482)	Interest Payable and Similar Charges	(7,059)
414	Impairment of Assets Held for Sale	(92)
306	Interest and Investment Income	754
(60)	Pension Interest Cost and Expected Return on Pension Assets	46
-	Change in Fair Value of Investment Property	
-	Capital Grants and Contributions Receivable	1,531
(74)	Movement in the Impairment Allowance for Trade Debtors	(130)
<b>(13,888)</b>	<b>Surplus or (Deficit) for the Year on HRA Services</b>	<b>(25,557)</b>

**Housing Revenue Account - Movement in Reserves Statement**

2022/2023 £000	Notes	2023/2024 £000
(13,888)	Surplus or (Deficit) for the Year on HRA Income and Expenditure Statement	(25,557)
15,421	Adjustments between Accounting Basis and Funding Basis Under Statute	1 21,482
1,533	Net Increase or (Decrease) Before Transfers to or from Reserves	(4,075)
(1,533)	Transfers (to) or from Reserves	2 4,075
-	Increase or (Decrease) in Year on the HRA	-
-	<b>Balance on the HRA at the end of the Current Year</b>	-

**Housing Revenue Account – Disclosures**
**1 Adjustments between Accounting Basis and Funding Basis under Statute**

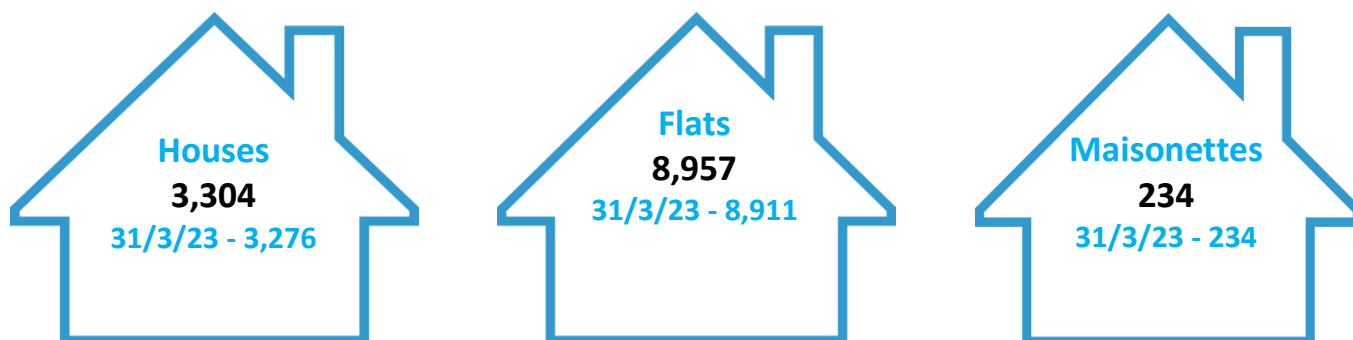
2022/2023 £000		2023/2024 £000
(16)	Gain or loss on sale of HRA non-current assets	(107)
(414)	Impairment of Assets Held for Sale	92
	Transfer to/from Revaluation Reserve:	
13,865	* Current Value Element of Depreciation Charge	13,831
	Transfer to/from Capital Adjustment Account:	
13,457	* Depreciation and Impairment - Housing Revenue Account Assets	21,869
-	* Capital Grants and Contributions	(1,531)
(12,345)	* Repayment of Debt	(12,370)
-	* Capital Financed from Current Revenue (CFCR)	-
-	Change in Fair Value of Investment Property	-
(33)	Short Term Accumulating Absences	6
1,004	HRA share of contributions to or from the Pensions Reserve	(77)
(97)	HRA Share of Transfer to/from the Financial Instruments Adjustment Account	(231)
<b>15,421</b>	<b>Total</b>	<b>21,482</b>

**2 Transfers (to) or from Reserves**

2022/2023 £000		2023/2024 £000
(1,533)	Transfer (to)/from the Renewal & Repair Fund	4,525
-	Transfer from General Fund (Funding for CFCR from Reduced Council Tax Discounts on long-term Empty Properties and Second Homes)	(450)
(1,533)	<b>Total</b>	<b>4,075</b>

**3 Housing Stock**

The Council's housing stock at 31 March 2024 was as follows:


**4 Rent Arrears**

Rent Arrears at 31 March 2024 were £4,622,774.26 (£5,160,307.29 at 31 March 2023).

**5 Impairment of Debtors**

In 2023/2024 an impairment of £4,854,528 has been provided in the Balance Sheet for irrecoverable rents, a net decrease of £535,421 from the provision in 2022/2023.

**6 Voids**

The total value of uncollectable void rents was £1,620,791 (2022/2023 £1,512,697). This has been netted against rental income.

**7 Accumulated Housing Revenue Account Balance**

The Renewal & Repair Fund balance at 31 March 2024 was £10.826m, of which £7.317m was earmarked for the Housing Revenue Account.

The Group Comprehensive Income and Expenditure Statement combines the income and expenditure figures of the Council with the Council's share of operating results of those entities in which it has a financial interest.

2022/2023				2023/2024		
Gross Expenditure £000	Gross Income £000	Net Expenditure / (Income) £000		Gross Expenditure £000	Gross Income £000	Net Expenditure / (Income) £000
237,509	(42,971)	194,538	Children & Families Services	238,568	(40,714)	197,854
259,968	(153,985)	105,983	Dundee Health & Social Care Partnership	258,180	(154,486)	103,694
105,233	(23,547)	81,686	City Development	103,803	(27,477)	76,326
37,760	(11,299)	26,461	Neighbourhood Services	39,692	(12,493)	27,199
5,056	(1,364)	3,692	Chief Executive	5,642	(1,651)	3,991
94,422	(51,953)	42,469	Corporate Services	87,483	(51,657)	35,826
12,117	(8,587)	3,530	Construction	6,458	(6,553)	(95)
65,614	(58,131)	7,483	Housing Revenue Account	78,024	(57,769)	20,255
422	-	422	Discretionary NDR Relief	497	-	497
1,021	-	1,021	Tayside Valuation Joint Board	802	-	802
3,099	(696)	2,403	Miscellaneous Items	5,222	(1,390)	3,832
136	-	136	Common Good Fund	123	-	123
18,569	(5,376)	13,193	Leisure and Culture Dundee	18,603	(6,774)	11,829
840,926	(357,909)	483,017	<b>Cost Of Services</b>	843,097	(360,964)	482,133
		(26,542)	Other Operating Expenditure			(515)
		31,627	Financing and Investment Income and Expenditure			29,749
		(429,690)	Taxation and Non-Specific Grant Income			(453,828)
		58,412	<b>(Surplus) or Deficit on Provision of Services</b>			57,539
		7,709	Share of (Surplus) or Deficit on Provision of Services of Associates and Joint Ventures			3,088
		66,121	<b>Group (Surplus) or Deficit</b>			60,627
		(245,890)	(Surplus) or Deficit on revaluation of fixed assets			(76,629)
		2,102	Impairment losses on non-current assets charged to Revaluation Reserve			1,977
		460	(Surplus) or Deficit on financial assets measured at fair value through other comprehensive income			(120)
		(71,005)	Remeasurements of the net defined benefit liability (asset)			2,606
		(1,875)	Share of Other Comprehensive Income and Expenditure (Associates)			-
		(316,208)	<b>Other Comprehensive (Income) / Expenditure</b>			(72,166)
		(250,087)	<b>Total Comprehensive (Income) / Expenditure</b>			(11,539)

The Group Movement in Reserves Statement shows the movement in the year on the different reserves held by the council, together with the movement in the Council's shares of those entities in which it has a financial interest.

	<b>Revenue Reserves</b>				<b>Capital Reserves</b>		<b>Total Usable Reserves £000</b>	Unusable Reserves £000	<b>Total Reserves £000</b>
	General Fund Balance £000	HRA Balance £000	Renewal and Repair Fund £000	Insurance Fund £000	Capital Grants & Receipts Unapplied Account £000	Capital Fund £000			
<b>Balance at 31 March 2022</b>	(81,271)	-	(13,170)	(1,458)	(1,714)	(3,636)	(101,249)	(741,465)	(842,714)
<b>Movement in reserves during 2022/2023</b>									
Total Comprehensive Expenditure and Income	52,233	13,888	-	-	-	-	66,121	(316,208)	(250,087)
Adjustments to Usable Reserves Permitted by Accounting Standards	(12,538)	(13,865)	-	-	-	-	(26,403)	26,403	-
Adjustments between Group Accounts and Council Accounts	16,286	-	-	-	-	-	16,286	(3,690)	12,596
<b>Net (Increase)/Decrease before Transfers</b>	<b>55,981</b>	<b>23</b>	-	-	-	-	56,004	(293,495)	(237,491)
Adjustments between Accounting Basis and Funding Basis Under Regulations	(51,163)	(1,556)	-	-	339	1,005	(51,375)	51,375	-
<b>Net (Increase)/Decrease before Transfers to Earmarked Reserves</b>	<b>4,818</b>	<b>(1,533)</b>	-	-	<b>339</b>	<b>1,005</b>	<b>4,629</b>	<b>(242,120)</b>	<b>(237,491)</b>
Transfers to/(from) Other Statutory Reserves	(699)	1,533	(1,589)	814	-	(59)	-	-	-
<b>(Increase)/Decrease in 2022/2023</b>	<b>4,119</b>	-	<b>(1,589)</b>	<b>814</b>	<b>339</b>	<b>946</b>	<b>4,629</b>	<b>(242,120)</b>	<b>(237,491)</b>
<b>Balance at 31 March 2023 Carried Forward</b>	<b>(77,152)</b>	-	<b>(14,759)</b>	<b>(644)</b>	<b>(1,375)</b>	<b>(2,690)</b>	<b>(96,620)</b>	<b>(983,585)</b>	<b>(1,080,205)</b>

	<u>Revenue Reserves</u>				<u>Capital Reserves</u>		<b>Total Usable Reserves</b> £000	Unusable Reserves £000	<b>Total Reserves</b> £000
	General Fund Balance £000	HRA Balance £000	Renewal and Repair Fund £000	Insurance Fund £000	Capital Grants & Receipts Unapplied Account £000	Capital Fund £000			
<b>Balance at 31 March 2023</b>	<b>(77,152)</b>	<b>-</b>	<b>(14,759)</b>	<b>(644)</b>	<b>(1,375)</b>	<b>(2,690)</b>	<b>(96,620)</b>	<b>(983,585)</b>	<b>(1,080,205)</b>
<b>Movement in reserves during 2023/2024</b>									
Total Comprehensive Expenditure and Income	35,070	25,557	-	-	-	-	<b>60,627</b>	(72,166)	<b>(11,539)</b>
Adjustments to Usable Reserves Permitted by Accounting Standards	(20,785)	(13,831)	-	-	-	-	<b>(34,616)</b>	34,616	-
Adjustments between Group Accounts and Council Accounts	(1,381)	-	-	-	-	-	<b>(1,381)</b>	1,809	<b>428</b>
<b>Net (Increase)/Decrease before Transfers</b>	<b>12,904</b>	<b>11,726</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,630</b>	<b>(35,741)</b>	<b>(11,111)</b>
Adjustments between Accounting Basis and Funding Basis Under Regulations	(33,509)	(7,651)	-	-	1,021	657	<b>(39,482)</b>	39,482	-
<b>Net (Increase)/Decrease before Transfers to Earmarked Reserves</b>	<b>(20,605)</b>	<b>4,075</b>	<b>-</b>	<b>-</b>	<b>1,021</b>	<b>657</b>	<b>(14,852)</b>	<b>3,741</b>	<b>(11,111)</b>
Transfers to/(from) Other Statutory Reserves	804	(4,075)	3,933	(548)	-	(114)	-	-	-
<b>(Increase)/Decrease in 2023/2024</b>	<b>(19,801)</b>	<b>-</b>	<b>3,933</b>	<b>(548)</b>	<b>1,021</b>	<b>543</b>	<b>(14,852)</b>	<b>3,741</b>	<b>(11,111)</b>
<b>Balance at 31 March 2024</b>	<b>(96,953)</b>	<b>-</b>	<b>(10,826)</b>	<b>(1,192)</b>	<b>(354)</b>	<b>(2,147)</b>	<b>(111,472)</b>	<b>(979,844)</b>	<b>(1,091,316)</b>

The Group Balance Sheet shows as at 31 March the assets and liabilities of the Group and combines the Council's assets and liabilities with the Council's share of those entities assets and liabilities in which it has a financial interest.

<b>31 March 2023</b>		<b>31 March 2024</b>
<b>£000</b>		<b>£000</b>
1,781,932	Property, Plant & Equipment	1,849,187
20,942	Heritage Assets	20,792
13,073	Investment Property	13,073
2,540	Intangible Assets	2,759
29	Long Term Investments	29
11,275	Investments in Associates	7,942
7,509	Long Term Debtors	8,234
<b>1,837,300</b>	<b>Long Term Assets</b>	<b>1,902,016</b>
8,278	Short Term Investments	7,455
1,125	Inventories	1,153
60,666	Short Term Debtors	56,463
13,133	Cash and Cash Equivalents	2,033
5,893	Assets Held for Sale	4,493
<b>89,095</b>	<b>Current Assets</b>	<b>71,597</b>
(14,102)	Short Term Borrowing	(94,789)
(120,125)	Short Term Creditors	(96,109)
<b>(134,227)</b>	<b>Current Liabilities</b>	<b>(190,898)</b>
(5,681)	Provisions	(4,297)
(507,782)	Long Term Borrowing	(494,522)
(31,203)	Pension Liability	(32,559)
(159,196)	Other Long Term Liabilities	(153,479)
(8,101)	Capital Grants Receipts in Advance	(6,542)
<b>(711,963)</b>	<b>Long Term Liabilities</b>	<b>(691,399)</b>
<b>1,080,205</b>	<b>Net Assets</b>	<b>1,091,316</b>
96,620	Usable reserves	111,472
983,585	Unusable Reserves	979,844
<b>1,080,205</b>	<b>Total Reserves</b>	<b>1,091,316</b>

The unaudited accounts were authorised for issue on 26 June 2024 and the audited accounts were authorised for issue on 25 September 2024 and signed on their behalf by:-



**Robert Emmott BSc CPFA**  
Executive Director of Corporate Services  
Dundee City Council

The notes on pages 129 to 134 form part of the financial statements.



The Group Cash Flow Statement shows the change in the year of cash and cash equivalents of the Council and those entities in which it has a financial interest.

<b>2022/2023</b>		<b>2023/2024</b>
<b>£000</b>		<b>£000</b>
66,121	Net (Surplus) or Deficit on the provision of services	60,517
(120,929)	Adjust net (Surplus) or Deficit on the provision of services for non cash movements	(73,031)
3,077	Adjust for items included in the net (Surplus) or Deficit on the provision of services that are investing and financing activities	2,356
<b>(51,731)</b>	<b>Net cash flows from Operating Activities</b>	<b>(10,158)</b>
44,947	Investing Activities	82,125
31,147	Financing Activities	(60,867)
<b>24,363</b>	<b>Net (Increase) or Decrease in cash and cash equivalents</b>	<b>11,100</b>
37,496	Cash and cash equivalents at the beginning of the reporting period	13,133
<b>13,133</b>	<b>Cash and cash equivalents at the end of the reporting period</b>	<b>2,033</b>

## 1 Impact of Consolidation on Reserves

The impact on total reserves of consolidating group entities is shown in the following tables.

Group Entity	As at 31 March 2024		
	Usable Reserves	Unusable Reserves	Total Reserves
	£000	£000	£000
Dundee City Council (Single Entity)	92,250	980,432	1,072,682
Elimination of Intra-group balances within single-entity accounts	35	-	35
Tayside Contracts Joint Committee	(138)	42	(96)
Common Good Fund	3,287	(292)	2,995
Fleming Trust	8,456	-	8,456
Leisure & Culture Dundee	2,877	(338)	2,539
Dundee City Integration Joint Board	-	-	-
Michelin Scotland Innovation Parc	4,705	-	4,705
<b>Total per Group Balance Sheet</b>	<b>111,472</b>	<b>979,844</b>	<b>1,091,316</b>

Group Entity	As at 31 March 2023		
	Usable Reserves	Unusable Reserves	Total Reserves
	£000	£000	£000
Dundee City Council (Single Entity)	76,115	982,364	1,058,479
Elimination of Intra-group balances within single-entity accounts	(150)	-	(150)
Tayside Contracts Joint Committee	(80)	21	(59)
Common Good Fund	3,255	(396)	2,859
Fleming Trust	8,717	-	8,717
Tayside Valuation Joint Board	65	1,596	1,661
Leisure & Culture Dundee	2,284	-	2,284
Dundee City Integration Joint Board	-	-	-
Michelin Scotland Innovation Parc	6,414	-	6,414
<b>Total per Group Balance Sheet</b>	<b>96,620</b>	<b>983,585</b>	<b>1,080,205</b>

From 2022/2023 a £2m de-minimis on an organisation's net assets / liabilities has resulted in Design Dundee Limited being excluded in terms of being immaterial. From 2023/2024 this has also resulted in Tayside Valuation Joint Board being excluded from the Group in terms of being immaterial.

## 2 Impact of Consolidation on Cash and Cash Equivalents

The impact on total cash and cash equivalents of consolidating group entities is shown below:

Group Entity	At 31 March 2023	At 31 March 2024
	£000	£000
Dundee City Council (Single Entity)	12,689	1,626
Charitable Trust Fund	444	407
<b>Total per Group Balance Sheet</b>	<b>13,133</b>	<b>2,033</b>

## 3 Group Accounting Policies

The group accounting policies are those specified for the single entity financial statements. The accounting policies of all group entities are materially the same as those of the single entity, except as where subsequently stated. The appropriate consolidation adjustments have been made where group entities are not required to prepare their financial statements on an IFRS basis.

#### 4 Group Entities – Basis of Consolidation

The Group Accounts have been prepared using the 'equity' and 'line by line' methods of consolidation, with appropriate summarisation of the Comprehensive Income & Expenditure Statement and Balance Sheet. This involves bringing into the Group Comprehensive Income & Expenditure Statement the Council's share of profits and losses of the group entities and bringing into the Group Balance Sheet the Council's share of the assets and liabilities of the group entities. The impact of consolidating the results of the Council with these entities is as follows:

Consolidation Basis	Group Share %	2022/2023		2023/2024		
		Net Expenditure / (Income) £000	Net Assets / (Liabilities) £000	Net Expenditure / (Income) £000	Net Assets / (Liabilities) £000	
<b>Subsidiaries:</b>						
Common Good Fund	Sole Trustee	100.00	(2)	2,859	100.00	2,995
Fleming Trust	Sole Trustee	100.00	54	8,717	100.00	8,456
Leisure & Culture Dundee (see note below)	100% Control	100.00	(13,802)	2,284	100.00	11,593
<b>Associates:</b>						
Tayside Valuation Joint Board (see note below)	Requisition Share	30.90	(1,681)	1,661	28.21	-
Tayside Contracts Joint Committee	Share of Business	34.00	-	(59)	31.00	(96)
Design Dundee Limited (see note below)	Voting Rights	20.00	-	-	20.00	-
<b>Joint Ventures:</b>						
Dundee City Integration Joint Board	Equal Partnership	50.00	7,515	-	50.00	3,078
Michelin Scotland Innovation Parc	Equal Partnership	33.33	-	6,414	33.33	10
<b>Total Group Entities</b>			<b>(7,916)</b>	<b>21,876</b>		<b>14,400</b>
Dundee City Council (Single Entity)			(231,379)	1,058,479		(14,203)
Elimination of Intra-group balances within single-entity accounts			(10,792)	(150)		(11,736)
<b>Dundee City Council (Group)</b>			<b>(250,087)</b>	<b>1,080,205</b>		<b>(11,539)</b>
						<b>1,091,316</b>

Since 2020/2021, Leisure & Culture Dundee (LACD) has been consolidated as a subsidiary on a "line-by-line" basis. In previous years LACD was consolidated as an Associate on a "net equity" basis. This change in accounting treatment reflects the increased level of financial support and other assurances provided by the Council to LACD in the wake of the Covid-19 pandemic.

From 2022/2023 a £2m de-minimis on an organisation's net assets / liabilities has resulted in Design Dundee Limited being excluded in terms of being immaterial.

**Subsidiaries:**Common Good Fund and Fleming Trust

The Council administers the Common Good Fund for the former Burgh of Dundee. Whilst the Council does not have legal title over the assets of the Fund, they are legally vested in the Council and have therefore been included in the Group Accounts on the basis of applying the principle of faithful representation. Similarly, a charitable trust administered by the Council (the Fleming Trust) has also been included in the Group Accounts. The income, expenditure, assets and liabilities of the Common Good Fund and Fleming Trust have been consolidated as subsidiaries on a "line-by-line" basis in the Group Accounts. Separate details of the Common Good Fund are included on page 135. Separate details of the Fleming Trust are included in Note 39.

Leisure and Culture Dundee

Leisure and Culture Dundee (LACD) is a Scottish Charitable Incorporated Organisation (SCIO) that was established to manage the leisure and cultural facilities owned by the Council and has been in operation since 1 July 2011. The operational responsibility for Dundee Ice Arena was also transferred to LACD from 1 April 2014. In 2020/2021, the organisation was consolidated as a subsidiary on a "line-by-line" basis. In previous years LACD was consolidated as an Associate on a "net equity" basis. This change in accounting treatment reflects the increased level of financial support and other assurances provided by the Council to LACD in the wake of the Covid-19 pandemic. For the purpose of consolidation and disclosure, unaudited accounts to the year ended 31 March 2024 were used.

**Associates:**Tayside Contracts Joint Committee

Tayside Contracts is a commercially based local authority contracting organisation providing catering, cleaning, roads maintenance, vehicle maintenance and winter maintenance throughout the Tayside area of Scotland. Tayside Contracts operates under a Joint Committee comprising of elected members from Dundee, Angus and Perth & Kinross Councils. Tayside Contracts is accounted for as an "associate" and has been consolidated on a "net equity" basis. For the purpose of consolidation and disclosure, unaudited accounts to the year ended 31 March 2024 were used.

**Joint Ventures:**Dundee City Integration Joint Board

The Dundee City Integration Joint Board was established 3 October 2015 by a formal legal partnership agreement between the two parent organisations, Dundee City Council and NHS Tayside. It is responsible for the operational management and oversight of delegated health and social care functions with effect from 1 April 2016. The Public Bodies (Joint Working) (Integration Joint Board) (Scotland) Amendment (No 3) Order 2015 provides the regulatory framework for the administration of the Board. It has been accounted for on a "net equity" basis. For the purpose of consolidation and disclosure, unaudited statutory accounts to the year ended 31 March 2024 were used.

Michelin Scotland Innovation Parc

Michelin Scotland Innovation Parc (MSIP) Limited was created in May 2019 to provide suitable governance arrangements for the Michelin Scotland Innovation Parc on the site of the former Michelin factory. The Council controls 33% of the voting rights and the organisation has been consolidated on a 'net equity' basis. For the purpose of consolidation and disclosure, unaudited statutory accounts to the year ended 31 March 2024 were used.

Copies of the accounts for all the above organisations can be obtained from the Executive Director of Corporate Services, Dundee City Council, (e-mail: [robert.emmott@dundeecity.gov.uk](mailto:robert.emmott@dundeecity.gov.uk)). In accordance with the Local Authority Accounts (Scotland) Regulations 2014, copies of audited accounts of those organisations treated as subsidiaries will also be published on the Council's website once these are available.

**5 Non-Material Interests in Other Entities**

The Council also has non-material interests in the following other entities:

Design Dundee Limited

Design Dundee Limited (DDL) was established to organise the development and delivery of the V&A Museum of Design Dundee (V&A Dundee). The Council are one of the founder members of the company together with Universities of Dundee and Abertay, Scottish Enterprise and Victoria & Albert Museum. The company is limited by guarantee and is a registered charity. The Council has one officer appointed as a Director to the Board

(total number Directors is currently 9). The company has a wholly owned subsidiary, Dundee Design Enterprises Limited (DDE) which was established to organise the commercial activities of the V&A Museum. DDE's accounts have been consolidated with the company's on a "line-by-line" basis. In 2021/2022, both companies were consolidated with the Council's accounts on a "net equity" basis. From 2022/2023 a £2m de-minimis on an organisation's net assets / liabilities has resulted in Design Dundee Limited being excluded in terms of being immaterial. For the purpose of assessing materiality and whether to consolidated and disclose, unaudited management accounts to 31 March 2024 were used.

#### Discovery Education Companies (3 companies)

Discovery Education PLC, Discovery Education (Holdings) Limited and Discovery Education (Nominee) Limited were established during financial year 2006/2007 to operate the Dundee Schools PPP Project. The Council has a contract with Discovery Education PLC to carry out the projects works and services. Dundee City Council has a 1.5% shareholding in Discovery Education (Holdings) Limited. The Council owns £7,500 Ordinary B shares of £1 each. These 'B' shares have no rights to participate in the profits of the Company and no distributions of any kind, nor do they carry any voting rights at any general meeting of the company. The Council has an officer appointed as a Director on the Board of the company (total number of directors is 3). The Council also has an officer appointed as a Director on the Board of both the other companies although the Council has no shareholding (total number of directors on both other companies is 3). The Council's interest in these companies is accounted for as an investment in the single entity and group accounts.

There are eight other entities the Council has an interest in but no investment. The nature of the Council's interest is such that the financial results of these entities do not require to be consolidated in the group accounts. These entities are as follows:

#### Replacement of Baldragon Academy – Project Delivery Company

An investment of £299,800 has been made by the Council in the Subordinated Debt of the project delivery company (Hub East Central (Baldragon) Limited), this being the maximum investment that can be made under the revised Hub Design, Build, Finance and Maintain (DBFM) structure. This debt carries an interest rate of 10% and is repayable on a semi-annual basis from 31 March 2021, with a final repayment date of 31 March 2042. This represents 10% of the total sub debt invested in Hub East Central (Baldragon) Limited ("DBFM Co"). The Council's investment is accounted for as a long term debtor in the single entity and group accounts.

The Council also holds 10 "B" Ordinary Shares in Hub East Central (Baldragon) Midco Limited ("MidCo") representing a 10% share holding. DBFM Co is a wholly owned subsidiary of MidCo. The Council has an officer appointed as a Director on the Board of both companies (both companies have a total number of 6 directors).

#### Dundee Contemporary Arts Limited

The Dundee Contemporary Arts Limited Company was established to operate the Arts Centre in Dundee, which is owned by the Council. There is a lease agreement with the company for the occupation of the Arts Centre. The company is limited by guarantee and the members' liability is limited to a maximum amount of £1. The Council has four elected members and one officer appointed as Directors to the Board (maximum number of Directors is 20).

#### Dovetail Enterprises (1993) Limited

Dovetail Enterprises Limited was established to provide training and employment for persons with disabilities. The Council provides annual grant funding to this organisation. The Council has also provided an interest free loan of £400,000 and as a result has increased its share of the Standard Security to 33% of the company's liquidated assets. As at 31 March 2022, £300,000 of this loan has been repaid to the Council. During the period 2017-2020 the Council provided further loans of £450,000 at commercial rates. As at 31 March 2022, £350,000 of these commercial loans has been repaid to the Council and as a result the company has outstanding loans totalling £200,000 from the Council. The company is limited by guarantee and the members' liability is limited to £1. The Council has four elected members appointed as Directors to the Board (total number of Directors is 14).

#### Tay Cities Region Joint Committee

Tay Cities Region Joint Committee was created in September 2017 to provide suitable governance arrangements for the Tay Cities Deal. The financial results of the Joint Committee have not been consolidated in the Council's Group Accounts on the basis that the transactions and balances were less than the de-minimis amount required for the Council to consider consolidation in the Council's accounts. This treatment will be reviewed in future years to ensure that the Joint Committee is consolidated and disclosed within the Council's accounts when this is material.

Studio Dundee Joint Venture Company Limited

Studio Dundee Joint Venture Company Limited (SDJVC) was created in March 2018 to provide suitable governance arrangements for the development of Central Waterfront Development Plot 2. The financial results of the company have not been consolidated in the Council's Group Accounts on the basis that the transactions and balances were less than the de-minimis amount required for the Council to consider consolidation in the Council's accounts. This treatment will be reviewed in future years to ensure that the company is consolidated and disclosed within the Council's accounts when this is material. The Council has indemnified funding of £525,000 to Robertson Capital Projects (RCP) Ltd. The Heads of Terms for the Tay Cities Deal made reference to an investment opportunity for Studio Dundee of up to £3m. During 2020/2021 the Council provided a loan to SDJVC of £1.133m at commercial rates. The loan is repayable by 18 January 2024. The loan was written off in the Council's Accounts in 2022/2023. The Council has an officer appointed as a Director on the Board of the company (total number of directors is one) (At 31 March 2023 there was a total of two directors). An application to strike the company off the Companies House register was submitted on 9 April 2024.

Dundee Science Centre

Dundee Science Centre (DSC) was established to advance education by promoting awareness and understanding of science, technology, engineering and mathematics through the establishment and operation of a permanent exhibition and education / learning programmes in DSC and via outreach programmes. The company is a Charitable Company Limited by Guarantee. The Council has one elected member and one officer appointed as Directors to the Board (total number of Directors is 12). Dundee Science Centre Enterprises Limited is a wholly owned subsidiary of DSC.

Leisure and Culture Dundee Training C.I.C

Leisure and Culture Dundee Trading Community Interest Company (CIC) was established in anticipation of some services being transferred from Leisure and Culture Dundee but this has not yet taken place and there are no imminent plans to do so. The company is currently dormant. The Council has one officer appointed as a Director to the Board (total number of Directors is 2).

Ardler Village Trust Company

Ardler Village Trust Company was established with the aim of achieving various objectives for the area and residents of Ardler, including advancing education and skills training, promotion of health education, relieving unemployment, alleviating poverty, and prevention of crime. The Council has one elected member and two officers appointed as Directors to the Board (total number of Directors is 8).

**6. Related Entities Not Consolidated**Tay Road Bridge Joint Board

The Board comprises twelve elected members who are appointed by the three constituent Councils, with Dundee City Council nominating six members. Following the abolition of tolls in February 2008, the revenue and capital expenditure requirements of the Board are met directly by grants from the Scottish Government. The financial results of the Board have not been consolidated in the Council's Group Accounts on the basis that the Council does not have a financial interest or investment in the Board.

National Housing Trust Initiatives

The National Housing Trust (NHT) is a housing initiative developed by the Scottish Government, in partnership with the Scottish Futures Trust and local authorities. The aim is to deliver new homes for mid-market rent while at the same time stimulating the housing market.

Broughty Ferry NHT 2011 LLP

In August 2010, the Council agreed to participate in Phase 1 of the National Housing Trust Initiative, to provide properties for mid-market rent within Dundee subject to suitable bids being received. It was agreed that up to a maximum of 75 units may be considered, involving a prudential borrowing requirement of up to £6.337m. This prudential borrowing would be backed by Scottish Government guarantees. In March 2011, the Council approved a bid from Ferrier Holdings to provide 16 x 2 bedroom flats at East Links Place, Broughty Ferry. The Council would provide 65% of the funding required, with the developer retaining a 35% interest for the minimum five year period. Following the initial five year period the flats could continue to be rented, sold to sitting tenants or sold on the open market.

The Special Purpose Vehicle (SPV) established for this project is Broughty Ferry NHT 2011 LLP. The Council is one of the three designated members of the SPV and provided funding of £1,456,560 during the 2014/15

financial year, by way of a loan which is repayable after 6.5 years. This loan is included at par value under Long Term Debtors in the Council's Balance Sheet. This loan was repaid during April 2020. The financial results of the SPV have not been consolidated in the Council's Group Accounts on the basis that the SPV is deemed to be a subsidiary of the developer and the Council does not therefore have control or exercise significant influence.

The Council administers the Common Good Fund for the former Burgh of Dundee. Common Good Funds came into existence in medieval times when the Crown gave lands to Burghs. The rents and feu-duties on these lands were to be used for the common good, which at that time was the minimal level of public service provided such as public lighting, street cleaning and repairs. Over time, as the level of public services increased, the rates system was introduced as the funding mechanism. The funds still held are to be used for purposes which promote "the general good of the inhabitants".

2022/2023 £000	Income & Expenditure Account	2023/2024 £000
	<b>Income</b>	
(138)	Dividends on Bonds / Shares	(155)
(138)		(155)
	<b>Expenditure</b>	
136	Other Expenditure	123
136		123
<b>(2)</b>	<b>(Surplus)/Deficit for Year</b>	<b>(32)</b>
2023 £000	Balance Sheet as at 31 March	2023 £000
	<b>Current Assets</b>	
2,859	Short Term Investments	2,995
2,859		2,995
	<b>Current Liabilities</b>	
-	Sundry Creditors	-
-		-
<b>2,859</b>	<b>Net Assets</b>	<b>2,995</b>
	<b>Financed By Fund Balances and Reserves</b>	
	Not Available for Use:	
(396)	- Financial Instruments Restatement Reserve	(292)
(396)		(292)
	Available for Use:	
3,255	- Common Good Balance	3,287
<b>2,859</b>		<b>2,995</b>

The unaudited accounts were authorised for issue on 26 June 2024 and the audited accounts were authorised for issue on 25 September 2024 and signed on their behalf by:-



**Robert Emmott BSc, CPFA**  
Executive Director of Corporate Services  
Dundee City Council

## 1. SHORT TERM INVESTMENTS

Included within the Short-Term Investments figure of £2,995,028 are investments in Bonds to the value of £2,907,950.



## Independent auditor's report to the members of Dundee City Council and the Accounts Commission

### Reporting on the audit of the financial statements

#### Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of Dundee City Council and its group for the year ended 31 March 2024 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the council-only Expenditure and Funding Analysis, the group and council-only Comprehensive Income and Expenditure Statements, Movement in Reserves Statements, Balance Sheets, and Cash Flow Statements, the council-only Council Tax Income Account, Non-Domestic Rate Income Account, Housing Revenue Account, Common Good Fund Account and notes to the financial statements, including material accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 (the 2023/24 Code). In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the council and its group as at 31 March 2024 and of the income and expenditure of the council and its group for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2023/24 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

#### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Accounts Commission on 3 April 2024. My period of appointment is four years, covering 2023/24 to 2026/27. I am independent of the council and its group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the council. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the ability of the council and its group to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the current or future financial sustainability of the council and its group. However, I report on the council's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

#### Risks of material misstatement

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

### **Responsibilities of the Executive Director of Corporate Services and the Scrutiny Committee for the financial statements**

As explained more fully in the Statement of Responsibilities for the Annual Accounts, the Executive Director of Corporate Services is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Director of Corporate Services is responsible for assessing the ability of the council and its group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the operations of the council and its group.

The Scrutiny Committee is responsible for overseeing the financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the local government sector to identify that the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003 are significant in the context of the council and its group;
- inquiring of the Executive Director of Corporate Services as to other laws or regulations that may be expected to have a fundamental effect on the operations of the council and its group;
- inquiring of the Executive Director of Corporate Services concerning the policies and procedures of the councils and its group regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the council's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## Reporting on other requirements

### **Opinion prescribed by the Accounts Commission on the audited parts of the Remuneration Report**

I have audited the parts of the Annual Remuneration Report described as audited. In my opinion, the audited parts of the Annual Remuneration Report have been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

### **Other information**

The Executive Director of Corporate Services is responsible for the other information in the annual accounts. The other information comprises the Management Commentary, Annual Governance Statement, Statement of Responsibilities for the Annual Accounts and the unaudited parts of the Annual Remuneration Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

### **Opinions prescribed by the Accounts Commission on the Management Commentary and Annual Governance Statement**

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

### **Matters on which I am required to report by exception**

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

### **Conclusions on wider scope responsibilities**

In addition to my responsibilities for the annual accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in my Annual Audit Report.

**Use of my report**

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

**Rachel Browne CPFA**  
**Audit Director**  
**Audit Scotland**  
**102 West Port**  
**Edinburgh**  
**EH3 9DN**

While much of the terminology used in this document is intended to be self-explanatory, the following additional definitions and interpretation of terms may be of assistance.

### **Accounting Period**

The period of time covered by the accounts, normally a period of 12 months commencing on 1 April.

### **Actuarial Gains and Losses (Pensions)**

Changes in actuarial deficits or surpluses that arise because events have not coincided with previous actuarial assumptions or actuarial assumptions have changed.

### **Asset**

An asset is categorised as either current or non-current. A current asset will be consumed or cease to have material value within the next financial year (e.g. cash and stock). A non-current asset will provide benefit to the Council and to the Services it provides for a period of more than one year.

### **Associate**

An entity in which the Council has a participating interest or over whose operating and financial policies the Council is able to exercise significant influence.

### **Balance Sheet**

This represents the overall financial position of the Council at the end of the year. All inter-departmental balances have been eliminated upon consolidation.

### **Capital Adjustment Account**

The Capital Adjustment Account relates to amounts set aside from capital resources to meet past expenditure.

### **Capital Expenditure**

Expenditure on the acquisition of a non-current asset, which will be used in providing services beyond the current accounting period, or expenditure which adds to and not merely maintains the value of an existing non-current asset.

### **Capital Financing**

The various methods used to finance capital expenditure such as borrowing, leasing, capital receipts, capital grants and use of revenue funding.

### **Capital Grants and Receipts Unapplied Account**

The Capital Grants and Receipts Unapplied Account holds the grants and contributions received towards capital projects for which the Council has met the conditions that would otherwise require repayment of the monies but which have yet to be applied to meet expenditure. Capital receipts that are available to fund qualifying expenditure on transformation or service redesign projects are also held in this account.

### **Capital Receipt**

Proceeds from the disposal of land or other non-current assets.

### **Capital Receipts Reserve**

The Capital Receipts Reserve represents the proceeds from non-current asset disposals not yet used and are available to meet future capital investment.

### **Cash Flow Statement**

Shows the changes in cash and cash equivalents by detailing the inflows and outflows of cash arising from revenue and capital transactions.

### **Common Good Fund**

Presents a picture of the Council's stewardship of the assets under its control which do not form part of the core financial statements.

**Community Assets**

Assets that the Council intends to hold in perpetuity, that have no determinable useful life and that may have restrictions on their disposal, such as municipal parks.

**Comprehensive Income and Expenditure Statement**

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices (IFRS).

**Corporate and Democratic Core**

The Corporate and Democratic Core comprises all activities, which local authorities engage in specifically because they are elected multi-purpose authorities. The cost of these activities are therefore over and above those which would be incurred by a series of independent, single purpose, nominated bodies managing the same service.

**Council Tax Income Account**

Details the gross and net income from Council Tax.

**Creditor**

Amounts owed by the council for work done, goods received or services rendered within the accounting period, but for which payment has not been made by the end of that accounting period.

**Current Service Cost (Pensions)**

The increase in the present value of a defined benefit scheme's liabilities, expected to arise from employee service in the current period.

**Debtor**

Amount owed to the Council for works done, goods received or services rendered within the accounting period, but for which payment has not been received by the end of that accounting period.

**Defined Benefit Pension Scheme**

Pension schemes in which the benefits received by the participants are independent of the contributions paid and are not directly related to the investments of the scheme.

**Depreciation**

The measure of the cost of wearing out, consumption or other reduction in the useful economic life of the Council's non-current assets during the accounting period, whether from use, the passage of time or obsolescence through technical or other changes.

**Discretionary Benefits (Pensions)**

Retirement awards, which the employer has no legal, contractual or constructive obligation to award and are awarded under the Council's discretionary powers.

**Employee Statutory Adjustment Account**

The Employee Statutory Adjustment Account, which absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to and from the account.

**Entity**

A body corporate, partnership, trust, unincorporated association or statutory body that is delivering a service or carrying on a trade or business with or without a view to profit. It should have a separate legal personality and is legally required to prepare its own single entity accounts.

**Events after the Balance Sheet Date**

Are those events both favourable and unfavourable that occur between the Balance Sheet date and the date when the Annual Accounts are signed

**Expenditure and Funding Analysis**

Demonstrates to council tax and rent payers how the funding available to the Council (ie government grants, rents, council tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by the Council in accordance with generally accepted accounting practices.

**Fair Value**

The fair value of an asset is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

**Financial Instruments Adjustment Account**

The Financial Instruments Adjustment Account is a balancing account to allow for differences in statutory requirements and proper accounting practices for lending and borrowing by the Council.

**Finance Lease**

A lease that transfers substantially all the risks and rewards of ownership of a non-current asset to the lessee.

**General Fund**

The General Fund encompasses all services areas (with the exception of the Council's housing stock) and is funded mainly by Government Grant and Council Tax.

**Government Grants**

Grants made by the Government towards either revenue or capital expenditure in return for past or future compliance with certain conditions relating to the activities of the Council. These grants may be specific to a particular scheme or may support the revenue or capital spend of the Council in general.

**Gross Expenditure**

This includes all expenditure attributable to the service and activity including employee costs, expenditure relating to premises and transport, supplies and services, third party payments, support services and capital charges.

**Gross Income**

This includes grant income and all charges to individuals and organisations for the direct use of the Council's services.

**Group Accounts**

Brings together Dundee City Council and its interests in entities which would be regarded as its subsidiaries or associates or joint ventures if the local authority was subject to the Companies Act.

**Heritage Asset**

An asset with historical, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.

**Housing Revenue Account**

Reflects the statutory requirement to separately account for local authority housing provision, as defined in the Housing (Scotland) Act 1987. It shows the major elements of housing revenue expenditure, and how these are met by rents, housing support grant and other income.

**Impairment**

A reduction in the value of a non-current asset to below its carrying amount on the Balance Sheet.

**Infrastructure Assets**

Assets belonging to the council represented by highways, footpaths and bridges.

**Insurance Fund**

The Insurance Fund covers the main classes of insurance and is earmarked for insurance purposes.

**Intangible Assets**

Non-monetary assets that do not have physical substance but are controlled by the Council as a result of past events.

**Interest Cost (Pensions)**

For a defined benefit scheme, the expected increase during the period of the scheme liabilities because the benefits are one period closer to settlement.

**Inventories**

Items of raw materials and stock the Council has procured and holds in expectation of future use. Examples are consumable stores, raw materials and products and services in intermediate stages of completion.

**Liability**

A liability is where the Council owes payment to an individual or another organisation. A current liability is an amount which will become payable or could be called in within the next accounting period e.g. creditors or cash overdrawn. A long term liability is an amount which by arrangement is payable beyond the next year at some point in the future or to be paid off by an annual sum over a period of time.

**Movement in Reserves Statement**

This statement shows the movement in the year on the different reserves held by the Council, analysed into usable reserves (i.e. those that can be applied to fund expenditure) and unusable reserves.

**National Non-Domestic Rates Pool**

All Non domestic Rates collected by local authorities are remitted to the national pool and thereafter distributed to Councils by the Scottish Government.

**Net Book Value**

The amount at which non-current assets are included in the Balance Sheet, i.e. their historical cost or current value less the cumulative amounts provided for depreciation.

**Non-Current Assets**

These are created by capital expenditure incurred by the Council. They include property, vehicles, plant, machinery, roads, computer equipment etc.

**Non-Distributed Costs**

Costs that cannot be allocated to specific services and are, therefore, excluded from the total cost relating to Service activity in accordance with the Service Reporting code of Practice. Charges for added pension years and early retirement are examples of these costs.

**Non-Domestic Rate Income Account**

Details the gross and net income from Non-Domestic Rates and the net contribution to the National Non-Domestic Rate Pool.

**Notes to the Core Financial Statements and Other Various Accounts**

These are intended to give the reader further information which is not separately detailed in the financial statements.

**Operating Lease**

A lease where the ownership of a non-current asset remains with the lessor.

**Past Service Cost (Pensions)**

For a defined benefit scheme, the increase in the present value of the scheme liabilities relating to employee service in prior periods arising in the current period as a result of the introduction of or improvement to retirement benefits.



**Pension Reserve**

The Pension Reserve arises from the IAS 19 account disclosures for retirement benefits and recognises the council's share of actuarial gains and losses in the Tayside Pension Fund and the change in the Council's share of the Pension Fund net liability chargeable to the Comprehensive Income and Expenditure Statement.

**Pension Scheme Liabilities**

The liabilities of a defined benefit pension scheme for outgoings due after the valuation date. The scheme liabilities, measured using the 'projected unit method' reflect the benefits that the employer is committed to provide for service up to the valuation date.

**Post Employment Benefits**

All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment (e.g. pensions in retirement).

**Prior Year Adjustment**

Material adjustments applicable to previous years arising from changes in accounting policies or from the correction of fundamental errors. This does not include normal recurring corrections or adjustments of accounting estimates made in prior years.

**Provision**

An amount put aside in the accounts for future liabilities or losses which are certain or very likely to occur but the amounts or dates or when they will arise are uncertain.

**Public Works Loan Board (PWLB)**

A Central Government Agency, which provides loans for one year and above to Councils at interest rates only based on those at which the Government can borrow itself

**Rateable Value**

The annual assumed rental of a non housing property, which is for national Non Domestic Rates purposes.

**Related Parties**

Entities or individuals that have the potential to control or influence the Council, or to be controlled or influenced by the Council.

**Remuneration**

All sums paid to or receivable by an employee and sums due by way of expenses allowances (as far as these sums are chargeable to UK income tax) and the money value of any other benefits received other than in cash.

**Repairs and Renewal Fund**

The Repairs and Renewal Fund provides resources for expenditure on the Council's assets.

**Reserves**

The accumulation of surpluses, deficits and appropriation over past years. Reserves of a revenue nature are available and can be spent or earmarked at the discretion of the Council. Some capital reserves such as the Revaluation Reserve cannot be used to meet current expenditure.

**Residual Value**

The net realisable value of an asset at the end of its useful life.

**Revaluation Reserve**

The Revaluation Reserve represents the store of gains on revaluation of fixed assets not yet realised through sale.

**Revenue Expenditure**

The day-to-day running costs associated with the provision of services.

**Service Concession Arrangement**

A contractual arrangement (or other arrangement that confers similar rights) between a local authority and an operator in which:

- a) the operator uses the service concession asset to provide a public service on behalf of the local authority for a specified period of time, and
- b) the operator is compensated for its services over the period of the service concession arrangement.

**Significant Interest**

The reporting authority is actively involved and is influential in the direction of an entity through its participation in policy and/or operational decisions.

**Soft Loan**

A loan made by the Council to another entity at an interest rate significantly below market interest rates.

**Subsidiary**

An entity over which the Council has overall control through the power to govern its financial and operating policies so as to obtain benefits from the entity's activities.



**Report No: 260-2024**

**DUNDEE CITY COUNCIL  
CHARITABLE TRUSTS**

**ANNUAL ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**AUDITED**

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**DUNDEE CITY COUNCIL CHARITABLE TRUSTS**  
**ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024**

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## TRUSTEES' ANNUAL REPORT

### LEGAL AND ADMINISTRATIVE INFORMATION

#### Trustees

The Trustees of the Dundee City Council Charitable Trusts are the 29 councillors of Dundee City Council. Councillors are elected to serve for a period of five years. The last full Council election was held on 5 May 2022 and the first statutory meeting of the new Council took place on 23 May 2022. The following Councillors were in office during the 2023/24 financial year:

#### From 23 May 2022

Bill Campbell (Lord Provost)  
 John Alexander (Leader of the Administration)  
 Daniel Coleman  
 Stewart Hunter  
 Baillie Kevin Keenan  
 Charlie Malone  
 Wendy Scullin  
 Roisin Smith  
 Siobhan Tolland  
 Michael Crichton  
 Nadia El-Nakla  
 Baillie Fraser Macpherson  
 Heather Anderson  
 Mark Flynn  
 George McIrvine  
 Baillie Helen Wright  
 Georgia Cruickshank  
 Ken Lynn  
 Lynne Short  
 Jax Finnegan  
 Steven Rome  
 Baillie Willie Sawers  
 Baillie Will Dawson  
 Dorothy McHugh  
 Baillie Christina Roberts  
 Kevin Cordell  
 Craig Duncan  
 Baillie Derek Scott  
 Pete Shears

#### Charitable Trusts' Principal Address

c/o Dundee City Council  
 City Square Complex  
 Dundee

#### External Auditor

The Charitable Trusts' appointed external auditor is:

Rachel Browne - Audit Director  
 Audit Scotland  
 4th Floor  
 102 West Port  
 Edinburgh  
 EH3 9DN

**Banking Arrangements**

The Charitable Trusts do not have a separate, dedicated bank account. Rather, funds are managed through Dundee City Council's main bank account. The Council's bankers are:

Royal Bank of Scotland plc  
3 High Street  
Dundee  
DD1 9YL



## ANNUAL REPORT 2023/24

### Administrative Details

During the 2023/24 financial year, Dundee City Council acted as sole trustee for 4 Charitable Trusts that were registered with the Office of the Scottish Charity Regulator (OSCR). The Council administers these funds but the associated assets are not available to the Council and have not been included in the Council's Single Entity Balance Sheet. The Charitable Trusts are subsidiaries of Dundee City Council but are not included in the Council's Group Balance Sheet on grounds of immateriality.

### Objectives and Activities

The key objectives and activities of the 4 registered Charitable Trusts for which the City Council acted as sole trustee during the 2023/24 financial year are listed below. The trustees have not identified any major risks to which the Charitable Trusts and Endowments are exposed.

#### Belmont Trust Estate (SC018900)

Estate gifted in 1918 by the late Mrs Emma Caird or Marryat of Roseangle, Dundee, in memory of her husband and her brothers, to be utilised for the benefit of the citizens of Dundee.

#### Camperdown Estate Trust (SC018899)

Purchased in the interest and for the benefit of the Community on 11 November 1945, at a cost of £58,100 which was provided by the Sir James Caird Land Acquisition Fund.

#### William Dawson Trust (SC018920)

Residue of estate handed over to the Lord Provost and Magistrates of the City of Dundee as trustees in 1948, for the purpose of acquiring ground for use as playing fields in wards X and XI.

#### Hospital Fund (SC018896)

Issued under The Dundee Churches and Hospital Act 1864, "for behoof of the Poor of the Town".

### Structure, Governance and Management Arrangements

During the 2023/24 financial year, the City Council was, in law, the sole trustee for the 4 registered Charitable Trusts listed above. Elected members of the Council are automatically appointed as trustees on an ex-officio basis. In most cases, however, responsibility for the day-to-day management of these trusts and endowments has been delegated to the relevant chief officers of the Council. The exception to this, where the elected members of the Council have a more active role as trustees, is as follows:

#### Hospital Fund (SC018896)

The Council's City Governance Committee (previously the Policy and Resources ("P&R") Committee) meets annually to approve disbursements from the Hospital Fund. All 29 members of the Council sit on the City Governance Committee, which is chaired by the Leader of the Administration. At a meeting held on 14 January 2013 it was agreed that no new applications would be invited and that instead a budget of £25,000 would be provided to pilot a targeted welfare benefit advice service in Dundee in 2013/14. It was subsequently agreed to extend this pilot to 31 March 2017. A peer review was carried out in March 2017 and it was agreed to continue the project for a further three financial years, to 31 March 2020. The P&R Committee held on 24 August 2020 agreed to extend this funding to 31 March 2021. At the P&R Committee on 31 October 2022, retrospective approval was given for the 2021/22 payment, as well payments for 2022/23. The P&R Committee held on 15 May 2023 agreed to increase the amount to £30,000 and to extend the funding to 31 March 2026.

## Financial Administration

The financial administration of the 4 registered Charitable Trusts for which the City Council acted as sole trustee during the 2023/24 financial year is undertaken in accordance with the Council's approved Financial Regulations. The Financial Regulations contain the following specific references to Trusts and Charitable Funds:

"11.19 The Executive Director of Corporate Services shall ensure the proper and safe custody and control of all charitable funds held by the Council and shall ensure that all expenditure is in accordance with the conditions of the trustees etc.

All officers acting as trustees by virtue of their official position shall deposit all securities etc relating to the trust or charitable fund with the Executive Director of Corporate Services.

All investments of money shall be made by the Executive Director of Corporate Services in the name of Council. Any investments made will be made in accordance with the policy determined by the Policy and Resources Committee.

The Executive Director of Corporate Services and other relevant officers shall ensure compliance with the requirements of the Office of the Scottish Charities Regulator (OSCR)."

## Financial Review

For the 2023/24 financial year, the total net surplus on the 4 registered Charitable Trusts was £48,294 (2022/23: £22,897). Total receipts were £92,064 (2022/23: £65,466) comprising investment income of £35,113 (2022/23: £15,844) and property rental income of £56,951 (2022/23: £49,622). Investment income relates solely to interest on surplus funds that are deposited with Dundee City Council's Loans Fund. Property rental income relates to: income from property leases at Belmont Trust Estate of £8,222 (2022/23: £8,222) and rental income from the buildings in Reform Street Dundee that are owned by the Hospital Fund of £48,729 (2022/23: £41,400). Total payments were £43,770 (2022/23: £42,569), see below for further details. The net surplus of £48,294 (2022/23: £22,897) resulted in total usable charity funds of £1,009,708 as at 31 March 2024 (£961,415 as at 31 March 2023). Cash-backed reserves (i.e. Capital Account and Surplus Income) are operated in accordance with the charities' aims and objectives, as set out in the original founding documents. These documents will usually include restrictions on how such funds can be applied.

## Achievements and Performance

During the 2023/24 financial year, within the total payments of £43,770 (2022/23: £42,569), the following costs were incurred in pursuit of the charities' objectives:

Belmont Trust Estate - £8,464 (2022/23: £11,220) was spent on repairs and maintenance and other property costs.

Hospital Fund - actual expenditure relates mainly to grants to local pensioners in financial need during the 2023/24 financial year was £2,240 (28 grants of £80) (2022/23: £3,040 (38 grants of £80)). A contribution from the fund of £30,000 was provided towards a targeted welfare benefit advice service in Dundee. In addition, expenditure of £3,029 (2022/23: £3,272) was incurred on property costs related to the buildings in Reform Street Dundee that are owned by the Hospital Fund.

## Trustee Remuneration and Expenses

No trustees received any remuneration or expenses during the 2023/24 financial year (2022/23: £nil).

Signed on behalf of the trustees

Bailie Willie Sawers  
Senior Councillor with responsibility for Finance  
Dundee City Council

25 September 2024

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS**

Under charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements which properly present an analysis of the incoming/outgoing cash and bank transactions for each financial year on a receipts and payments basis.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, and regulation 9(1), (2), and (3) of The Charities Accounts (Scotland) Regulations 2006 (as amended). They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Approved by the trustees on 25 September 2024 and signed on their behalf by:

Bailie Willie Sawers  
Senior Councillor with responsibility for Finance  
Dundee City Council

## FINANCIAL STATEMENTS

### INTRODUCTION

#### Basis of Preparation

The following accounts have been prepared in accordance with the "connected charities" provision contained in Regulation 7 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Connected charities are defined as those having common or related charitable purposes, or charities which have common control or unity of administration. The City Council considers the 4 Charitable Trusts for which it acted as sole trustee during the 2023/24 financial year to be "connected" and has therefore taken the opportunity to prepare accounts collated into a single document.

#### External Audit

The financial statements are the subject of an external audit. Also, details of Charitable Trust Funds are incorporated within the City Council's Annual Accounts. This includes a separate disclosure note on the 4 charities included within this report. The Charitable Trust Funds Account is audited as part of the wider audit of the City Council's Annual Accounts.

#### Further Information

Any queries regarding this document should, in the first instance, be addressed to:

Francois de Villiers FCA, CA(SA)  
Accounting Strategy Manager, Corporate Services  
Dundee City Council  
50 North Lindsay Street  
Dundee  
DD1 3RF

(Email: [francois.devilliers@dundeecity.gov.uk](mailto:francois.devilliers@dundeecity.gov.uk))  
(Telephone: 07385 931075)

## DUNDEE CITY COUNCIL CHARITABLE TRUSTS

## STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31 MARCH 2023

	Belmont Trust Estate £	Camperdown Estate Trust £	William Dawson Trust £	Hospital Fund £	<b>Total £</b>
<u>Receipts</u>					
Investment Income	8,028	0	104	12,742	<b>20,874</b>
Rent	8,222	0	0	41,400	<b>49,622</b>
	<b>16,250</b>	<b>0</b>	<b>104</b>	<b>54,142</b>	<b>70,496</b>
<u>Payments</u>					
Charitable Activities	16,250	0	0	31,349	<b>47,599</b>
	<b>16,250</b>	<b>0</b>	<b>0</b>	<b>31,349</b>	<b>47,599</b>
<b>Surplus / (Deficit) for the Year</b>	<b>0</b>	<b>0</b>	<b>104</b>	<b>22,793</b>	<b>22,897</b>

These funds are deemed to be restricted, permanent endowment (capital) funds.

## DUNDEE CITY COUNCIL CHARITABLE TRUSTS

## STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31 MARCH 2024

	Belmont Trust Estate £	Camperdown Estate Trust £	William Dawson Trust £	Hospital Fund £	Total £
<u>Receipts</u>					
Investment Income	242	0	285	34,586	<b>35,113</b>
Rent	8,222	0	0	48,729	<b>56,951</b>
	<b>8,464</b>	<b>0</b>	<b>285</b>	<b>83,315</b>	<b>92,064</b>
<u>Payments</u>					
Charitable Activities	8,464	0	0	35,306	<b>43,770</b>
	<b>8,464</b>	<b>0</b>	<b>0</b>	<b>35,306</b>	<b>43,770</b>
<b>Surplus / (Deficit) for the Year</b>	<b>0</b>	<b>0</b>	<b>285</b>	<b>48,009</b>	<b>48,294</b>

These funds are deemed to be restricted, permanent endowment (capital) funds.

## DUNDEE CITY COUNCIL CHARITABLE TRUSTS

## STATEMENT OF BALANCES AT 31 MARCH 2023

	Belmont Trust Estate £	Camperdown Estate Trust £	William Dawson Trust £	Hospital Fund £	<b>Total £</b>
Opening Cash Balance	0	0	0	0	<b>0</b>
Surplus / (Deficit) for the Year	0	0	104	22,793	<b>22,897</b>
Transfer (to) / from DCC	0	0	(104)	(22,793)	<b>(22,897)</b>
Closing Cash Balance	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Investments</u>					
Funds Deposited with DCC	185,495	2,534	6,645	766,741	<b>961,415</b>
Investment Properties				384,000	<b>384,000</b>
<u>Tangible Fixed Assets</u>					
Operational Land and Buildings	2,007,209	2,544,984	188,987	1,232	<b>4,742,412</b>
	<b>2,007,209</b>	<b>2,544,984</b>	<b>188,987</b>	<b>1,232</b>	<b>4,742,412</b>
<b>Total net assets</b>	<b>2,192,704</b>	<b>2,547,518</b>	<b>195,632</b>	<b>1,151,973</b>	<b>6,087,827</b>

The notes at pages 13 to 14 form part of these accounts.

## DUNDEE CITY COUNCIL CHARITABLE TRUSTS

## STATEMENT OF BALANCES AT 31 MARCH 2024

	Belmont Trust Estate £	Camperdown Estate Trust £	William Dawson Trust £	Hospital Fund £	Total £
Opening Cash Balance	0	0	0	0	0
Surplus / (Deficit) for the Year	0	0	285	48,009	48,294
Transfer (to) / from DCC	0	0	(285)	(48,009)	(48,294)
<b>Closing Cash Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Investments</u>					
Funds Deposited with DCC	185,495	2,534	6,930	814,749	1,009,708
Investment Properties				384,000	384,000
<u>Tangible Fixed Assets</u>					
Operational Land and Buildings	2,209,209	3,044,234	188,987	1,232	5,443,662
	<b>2,209,209</b>	<b>3,044,234</b>	<b>188,987</b>	<b>1,232</b>	<b>5,443,662</b>
<b>Total net assets</b>	<b>2,394,704</b>	<b>3,046,768</b>	<b>195,917</b>	<b>1,199,981</b>	<b>6,837,370</b>

The notes at pages 13 to 14 form part of these accounts.

The unaudited accounts were authorised for issue on 26 June 2024 and the audited accounts were authorised for issue on 25 September 2024 and signed on their behalf by:-

Baillie Willie Sawers  
Senior Councillor with responsibility for Finance  
Dundee City Council



## NOTES TO THE FINANCIAL STATEMENTS

### 1 Accounting Policies

The following accounting policies set out the basis upon which the financial statements have been prepared and explain the accounting treatment of both general and specific items.

#### General Basis of Preparation

These accounts have been prepared on a receipts and payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as Amended).

#### Tangible Fixed Assets - Basis of Valuation

The following valuation bases have been used to value the different types of tangible fixed asset shown in the Statement of Balances:

Operational Land & Buildings - considered to be specialised assets for which there is no market value, therefore valued at depreciated replacement cost with appropriate allowance for age and obsolescence.

Non-Operational Investment Properties - open market value.

Tangible fixed assets were re-valued, as required, at 31 March 2024. The valuations were carried out by Mr Alastair Kay BSc MRICS, an employee of the City Council's City Development Service.

#### Investments

There are no external investments, rather all surplus funds are deposited in earmarked accounts held by Dundee City Council. All such deposits are valued at historical cost in the Balance Sheet.

#### Going Concern

The accounts are prepared on the going concern basis as it is considered by the trustees that the remaining Charitable Trusts are financially sustainable for the foreseeable future.

### 2 Analysis of Tangible Fixed Assets

The assets owned by these charities are as follows:

Belmont Trust Estate - Estate of Belmont, Belmont Castle, Belmont Camp, Stables Flats x3

Camperdown Estate Trust - Estate of Camperdown, Mansion House, Golf Course and Club Rooms, Kiosks x2, Recreational Facilities, Gardener's Cottage

William Dawson Trust - Dawson Park & Extension, Pavilion, Car Park, Entrance Gate

Hospital Fund - Properties at 63 Reform Street Dundee, Ground at Stirling Street, Stirling Park and Carmichael Street Dundee

### 3 Investment Income

There are no external investments, rather all surplus funds are deposited in earmarked accounts held by Dundee City Council. Interest receivable is based on the Loans Fund interest on revenue balances (IORB) rate and is paid twice yearly. The average IORB rate during 2023/24 was 4.23% (2022/23: 1.59%).

**4 Governance Costs**

Any governance costs associated with the management of charitable funds (including administration costs and the relevant share of the annual audit fee) are absorbed by Dundee City Council. These costs are estimated at £5,000 in 2023/24, being £2,000 administration costs and £3,000 audit fee. (2022/23: £6,078 being £2,000 administration costs and £4,078 audit fee).

**5 Related Party Transactions**

During 2023/24, all surplus funds were deposited in earmarked accounts held by Dundee City Council. At 31 March 2024, a total balance of £1,009,708 (31 March 2023: £961,415) was held with Dundee City Council. Investment income of £35,113 (2022/23: £15,844) was received from Dundee City Council's Loans Fund during 2023/24.

**6 Comparative Information**

The 2022/23 Statement of Receipts and Payments and the Statement of Balances as at 31 March 2023 are shown on pages 9 and 11 respectively, for comparative purposes.

**7 Events After the Reporting Period**

There were no events that occurred between 1 April 2024 and 25 September 2024 that would require adjustment to the 2023/24 financial statements. The latter date is the date on which the audited accounts were authorised for issue by the Senior Councillor with responsibility for Finance.

**8 Parent Entity**

The Dundee City Council Charitable Trusts are subsidiaries of Dundee City Council, a local authority established under the Local Government etc. (Scotland) Act 1994. Copies of the Group Accounts of Dundee City Council can be obtained from the contact listed on page 8.

## Independent auditor's report to the trustees of Dundee City Council Charitable Trusts and the Accounts Commission

### Report on the audit of the financial statements

#### Opinion on financial statements

I certify that I have audited the financial statements in the statement of accounts of Dundee City Council Charitable Trusts for the year ended 31 March 2024 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Receipts and Payments, the Statement of Balances and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and a receipts and payments basis.

In my opinion the accompanying financial statements:

- properly present the receipts and payments of the charity for the year ended 31 March 2024 and its statement of balances at that date; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulations 9(1), (2) and (3) of The Charities Accounts (Scotland) Regulations 2006.

#### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Responsibilities, the trustees are responsible for the preparation of financial statements that properly present the receipts and payments of the charity, and for such internal control as the trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the local government sector and charity sector to identify that the Local Government (Scotland) Act 1973, Charities and Trustee Investment (Scotland) Act 2005 and The Charities Accounts (Scotland) Regulations 2006 are significant in the context of the charity;

- inquiring of the Trustees as to other laws or regulations that may be expected to have a fundamental effect on the operations of the charity;
- inquiring of the Trustees concerning the charity's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the charity's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## **Reporting on other requirements**

### **Other information**

The trustees are responsible for the other information in the statement of accounts. The other information comprises the Trustees' Annual Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Trustees' Annual Report to the extent explicitly stated in the following opinion prescribed by the Accounts Commission.

### **Opinions prescribed by the Accounts Commission on the Trustees' Annual Report**

In my opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with The Charity Accounts (Scotland) Regulations 2006.

### **Matters on which I am required to report by exception**

I am required by The Charity Accounts (Scotland) Regulations 2006 to report to you if, in my opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or

- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

### **Use of my report**

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

**Rachel Browne CPFA**  
**Audit Director**  
**Audit Scotland**  
**102 West Port**  
**Edinburgh**  
**EH3 9DN**

Rachel Browne is eligible to act as an auditor in terms of Part VII of the Local Government (Scotland) Act 1973.

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SCOTTISH CHARITY NUMBER: SC027022

**Report No: 261-2024**

# LORD PROVOST OF DUNDEE CHARITY FUND

TRUSTEES REPORT AND AUDITED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2024

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## LORD PROVOST OF DUNDEE CHARITY FUND

SCOTTISH CHARITY NUMBER SC027022

### Trustees' Report and accounts for the year ended 31 March 2024

The Lord Provost of Dundee Charity Fund was established for the benefit of the public of the City of Dundee. The purposes of the Charity Fund, as recorded in the Deed of Trust, are to relieve the poverty and advance the education of, and to provide recreational or leisure facilities in the interests of social welfare for the public of the City of Dundee and in order to make donations to registered charities and to Scottish Charities. The Trustees may have sole discretion and by unanimous decision after meeting all liabilities, pay out the whole value of the Trust Fund to or for behoof of such one or more of the purposes as they in their sole discretion shall decide and so bring the Trust to an end. The Trustees have not defined a minimum reserve as there is no requirement to do so and view any risk as limited.

During the 2023/24 financial year, the charity continued to provide financial assistance to the public of the City of Dundee, through donations to registered charities, senior citizen groups and vulnerable groups within Dundee totalling £3,300 (2022/23: £1,500). Receipts related to interest received, mainly from amounts invested in Dundee City Council Loans Fund, of £1,420 (2022/23: £530).

The account at year end reported a deficit of £1,880 (2022/23 £1,970) which was drawn from funds available leaving a closing balance of £39,956 (2022/23 £41,836).

Next year, we will continue with our fundraising activities to provide financial assistance to the public of the City of Dundee, through donations to registered charities, senior citizen groups and vulnerable groups within Dundee.

The Charity's Trustees are defined in the Deed of Trust. The Charity's Trustees are:

- Lord Provost (Bill Campbell)
- Chief Executive (Gregory Colgan)
- Head of Democratic and Legal Services (Roger Mennie)

The Charity has its own bank account with the Royal Bank of Scotland plc.

The financial statements are the subject of a separate external audit. The appointed external auditor is Rachel Browne CPFA, Audit Director, Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN.

The Charity can be contacted at the following address, The Lord Provost, City Chambers, 21 City Square, DUNDEE, DD1 3BT.

The accounts for the year are attached and form part of this report.

This report was approved by the Trustees on 25 September 2024.

Signed, on behalf of the Trustees

Gregory Colgan  
Trustee

**LORD PROVOST OF DUNDEE CHARITY FUND****SCOTTISH CHARITY NUMBER SC027022****STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES'  
ANNUAL REPORT AND THE FINANCIAL STATEMENTS**

Under charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements which properly present an analysis of the incoming/outgoing cash and bank transactions for each financial year on a receipts and payments basis.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities;

The trustees are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, and regulation 9(1), (2), and (3) of The Charities Accounts (Scotland) Regulations 2006 (as amended). They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Approved by the trustees on 25 September 2024 and signed on their behalf by:

Gregory Colgan  
Trustee

## LORD PROVOST OF DUNDEE CHARITY FUND

SCOTTISH CHARITY NUMBER SC027022

**STATEMENT OF RECEIPTS AND PAYMENTS FOR YEAR ENDED 31 MARCH 2024**

<b><u>Receipts</u></b>	<b>Note</b>	<b>2023/24</b>	<b>2022/23</b>
		£	£
Interest on fund Dundee City Council	6	1,272	476
Bank Interest	6	148	54
<b>Total Receipts</b>		<b><u>1,420</u></b>	<b><u>530</u></b>
<b><u>Payments</u></b>			
Donations/Grants	4	3,300	1,500
Fundraising Dinner	5	-	1,000
<b>Total Payments</b>		<b><u>3,300</u></b>	<b><u>2,500</u></b>
<b><u>Surplus / (Deficit) For Year</u></b>		<b><u>(1,880)</u></b>	<b><u>(1,970)</u></b>

**STATEMENT OF BALANCES AS AT 31 MARCH 2024**

<b><u>Funds Reconciliation</u></b>	<b>2023/24</b>	<b>2022/23</b>
	£	£
Cash At Bank 01/04/23 (01/04/22)	41,836	43,806
Surplus/ (Deficit) for year	(1,880)	(1,970)
<b>Cash At Bank 31/03/24 (31/03/23)</b>	<b><u>39,956</u></b>	<b><u>41,836</u></b>
<b><u>Bank &amp; Cash Balances</u></b>		
Bank Accounts	9,956	11,836
Temporary Loan Invested with Dundee City Council	<u>30,000</u>	<u>30,000</u>
	<b><u>39,956</u></b>	<b><u>41,836</u></b>

All Funds are unrestricted

The Notes on page 4 form an integral part of these accounts.

The unaudited accounts were authorised for issue on 6 June 2024 and the audited accounts were authorised for issue on 25 September 2024 and signed on their behalf by:-

Gregory Colgan  
Trustee

## **NOTES TO THE ACCOUNTS - FOR YEAR ENDED 31 MARCH 2024**

### **1 Basis of Accounting**

These accounts have been prepared on the Receipts & Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as Amended).

### **2 Nature Purpose of funds**

All funds are unrestricted and may be used at the discretion of the trustees in furtherance of the objects of the Charity.

### **3 Remuneration & Expenses**

No remuneration or Expenses were paid to a charity trustee, or anyone connected to a charity trustee.

### **4 Grants & Donations Made**

The charity made 7 donations to organisations totalling £3,300 (2022/23: 2 charity donations totalling £1,500).

### **5 Fundraising**

The charity is planning to host a fundraising dinner to re-engage the Citizens of Dundee with the Lord Provost Charity Fund. This was postponed to 17<sup>th</sup> May 2024 with the £1000 deposit (2022/23) transferred to the new date.

### **6 Interest Receivable**

The Charity has £30,000 deposited with Dundee City Council and receives interest on this alongside bank interest.

### **7 Governance Costs**

The financial statements are the subject of a separate external audit. Any costs associated with the Charity Fund (incl. admin and relevant share of annual audit fee) are absorbed by Dundee City Council. The cost of audit to Dundee City Council for 2023/24 is £1,500 and the estimated notional cost of staff time is £100, (2022/23: audit fee £930 and staff time £100).

### **8 Parent Entity**

The Lord Provost of Dundee Charity Fund is a subsidiary of Dundee City Council, a local authority established under the Local Government etc. (Scotland) Act 1994. Copies of the Group Accounts of Dundee City Council can be obtained from the contact listed in note 9.

### **9 Events after the reporting date**

There are no events that occurred between 31 March 2024 and 25 September 2024 that would require restatement to the 2023/24 financial statements. The latter date is the date on which the audited accounts were authorised for issue by the Chairperson, on behalf of the Trustees.

Any queries regarding this document should, in the first instance, be addressed to:

Elaine Rowan  
Corporate Finance  
Dundee City Council  
50 North Lindsay Street  
Dundee  
DD1 1NZ

(Email: [elaine.rowan@dundeecity.gov.uk](mailto:elaine.rowan@dundeecity.gov.uk))  
(Telephone: 01382-433355)

## **Independent auditor's report to the trustees of the Lord Provost of Dundee Charity Fund and the Accounts Commission**

### **Report on the audit of the financial statements**

#### **Opinion on financial statements**

I certify that I have audited the financial statements in the statement of accounts of the Lord Provost of Dundee Charity Fund for the year ended 31 March 2024 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Receipts and Payments, the Statement of Balances and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and a receipts and payments basis.

In my opinion the accompanying financial statements:

- properly present the receipts and payments of the charity for the year ended 31 March 2024 and its statement of balances at that date; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulations 9(1), (2) and (3) of The Charities Accounts (Scotland) Regulations 2006.

#### **Basis for opinion**

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **Responsibilities of the trustees for the financial statements**

As explained more fully in the Statement of Responsibilities, the trustees are responsible for the preparation of financial statements that properly present the receipts and payments of the charity, and for such internal control as the trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibilities for the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the local government sector and charity sector to identify that the Local Government (Scotland) Act 1973, Charities and Trustee Investment (Scotland) Act 2005 and The Charities Accounts (Scotland) Regulations 2006 are significant in the context of the charity;
- inquiring of the Trustees as to other laws or regulations that may be expected to have a fundamental effect on the operations of the charity;
- inquiring of the Trustees concerning the charity's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the charity's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## **Reporting on other requirements**

### **Other information**

The trustees are responsible for the other information in the statement of accounts. The other information comprises the Trustees' Annual Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Trustees' Annual Report to the extent explicitly stated in the following opinion prescribed by the Accounts Commission.

**Opinions prescribed by the Accounts Commission on the Trustees' Annual Report**

In my opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with The Charity Accounts (Scotland) Regulations 2006.

**Matters on which I am required to report by exception**

I am required by The Charity Accounts (Scotland) Regulations 2006 to report to you if, in my opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

**Use of my report**

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

**Rachel Browne CPFA  
Audit Director  
Audit Scotland  
102 West Port  
Edinburgh  
EH3 9DN**

Rachel Browne is eligible to act as an auditor in terms of Part VII of the Local Government (Scotland) Act 1973.



SCOTTISH CHARITY NUMBER: SC046260

**Report No: 262-2024**

# THE DUNDEE TRUST

AUDITED ANNUAL ACCOUNTS  
FOR THE PERIOD ENDED 24 APRIL 2024

## THE DUNDEE TRUST

### SCOTTISH CHARITY NUMBER SC046260

#### Trustees' Annual Report and Accounts for the Period Ended 24 April 2024

The Dundee Trust was awarded charitable status by the Office of the Scottish Charity Regulator (OSCR) and was entered in the Scottish Charity Register on 15 January 2016. On 24 April 2024, the Dundee Trust was deregistered from the Scottish Charity Register. These Annual Accounts are therefore the final set of Accounts for The Dundee Trust and cover the period to its removal from the OSCR register. The process to wind up The Dundee Trust has commenced.

The purposes of The Dundee Trust, as recorded in the Trust Deed signed on 17 November 2015, were as follows:

- a) The prevention or relief of poverty within the City of Dundee (that being the Local Authority boundary set by statute).
- b) The advancement of education within the City of Dundee.
- c) The advancement of citizenship or community development within the City of Dundee (including rural or urban regeneration and the promotion of civic responsibility, volunteering, the voluntary sector or the effectiveness or efficiency of charities).
- d) The provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons within the City of Dundee for whom the facilities or activities are primarily intended, and only in relation to recreational facilities or activities which are:
  - (i) primarily intended for persons who have need of them by reason of their age, ill-health, disability, financial hardship or other disadvantage, or
  - (ii) available to members of the public at large or to male or female members of the public at large.
- e) Any other purpose that may reasonably be regarded as analogous to any of the preceding.

During the 2017/18 financial year, the Trust received donations totalling £69,927 as a result of the reorganisation of thirteen charitable trusts for which Dundee City Council acted as sole trustee. These funds were deposited with Dundee City Council's Loans Fund and interest totalling £311 was received, resulting in total funds of £70,238 at 31 March 2018. No grants or donations were made during 2017/18. At a meeting of the trustees held on 25 April 2018 it was agreed that the Trust would invite applications for funding from individuals, non-constituted groups and organisations, in line with the purposes detailed above. The application process, criteria and documentation were also approved. Applications were made via the Dundee City Council's website during June 2018, with appropriate publicity beforehand through various media channels. A total of 92 applications for funding were received, with the total value of funding requested being £259,429. Decisions regarding the allocation of all of the available funding were made at a meeting of trustees held on 17 September 2018. In addition, interest received by the Trust during 2018/19 (£239) was donated to the Lord Provost of Dundee Charity Fund. One award made in 2018/19 was subsequently returned by a recipient as they were unable to use it for its intended purpose. This meant that awards totalling £70,141 were made by the Trust during the 2018/19 financial year and there were

remaining funds of £336 as at 31 March 2019. The remaining balance of £336 was donated to the Lord Provost of Dundee Charity Fund in financial year 2019/20.

There have been no remaining funds since 31 March 2020. There were no transactions during financial years since 2019/20 and no assets or liabilities existed as at the reporting date.

In accordance with the Trust Deed, the Trust has seven trustees who are appointed from the elected members of Dundee City Council on a politically balanced basis (as nearly as may be possible). The following elected members of Dundee City Council served as trustees during the 2023/24 financial year:

- Roisin Smith
- Mark Flynn
- Bailie Kevin Keenan
- Ken Lynn
- Heather Anderson
- Charlie Malone
- Craig Duncan, Chairperson

The Charity can be contacted at the following address: c/o Executive Director of Corporate Services, Dundee City Council, 50 North Lindsay Street, Dundee, DD1 1NZ.

The accounts for the year are attached and form part of this report.

Signed, on behalf of the Trustees

Councillor Craig Duncan  
Chairperson and Trustee

25 September 2024

## **Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements**

Under charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements which properly present an analysis of the incoming/outgoing cash and bank transactions for each financial year on a receipts and payments basis.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities;

The trustees are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, and regulation 9(1), (2), and (3) of The Charities Accounts (Scotland) Regulations 2006 (as amended). They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Approved by the trustees on 25 September 2024 and signed on their behalf by:

Councillor Craig Duncan  
Chairperson and Trustee

**THE DUNDEE TRUST**  
**SCOTTISH CHARITY NUMBER SC046260**

**STATEMENT OF RECEIPTS AND PAYMENTS**

<u>Receipts</u>	Note	Year ended 31 March 2023 £	Period ended 24 April 2024 £
Donations	4	-	-
Interest Received	-	=	=
<b>Total Receipts</b>		=	=
<b><u>Payments</u></b>			
Grants / Donations	5	-	-
<b>Total Payments</b>		=	=
<b><u>Surplus / (Deficit) For The Year</u></b>		=	-

**STATEMENT OF BALANCES**

<u>Funds Reconciliation</u>		31 MARCH 2023 £	24 APRIL 2024 £
Opening Funds as at 1 April	-	-	-
Surplus/ (Deficit) for the Year	-	=	=
<b>Closing Funds as at 31 March</b>		=	=
<b><u>Bank &amp; Cash Balances</u></b>			
Amounts Invested with Dundee City Council			
Loans Fund	-	=	=
		=	=

All funds are unrestricted.

The notes on pages 5 and 6 form an integral part of these accounts.

The unaudited accounts were authorised for issue on 26 June 2024 and the audited accounts were authorised for issue on 25 September 2024 and signed on their behalf by:-

Councillor Craig Duncan  
Chairperson and Trustee

## **NOTES TO THE ACCOUNTS**

### **1 Accounting Basis / Policies**

The Annual Accounts summarise the Trust's transactions for the financial period ending 24 April 2024 and its financial position as at 24 April 2024. These accounts have been prepared on the Receipts & Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as Amended).

### **2 Purpose of Funds**

All funds were unrestricted and were to be used at the discretion of the trustees in furtherance of the objects of the Trust. In line with OSCR requirements, however, funds were designated in accordance with the broad purposes of the thirteen charitable trusts that effectively donated the funds to The Dundee Trust. This resulted in the following designation of funds:

<b>Charitable Purpose</b>	<b>As at 31 March 2023 (£)</b>	<b>As at 24 April 2024 (£)</b>
The prevention or relief of poverty	-	-
The advancement of education	-	-
The advancement of citizenship or community development	-	-
The provision of recreational facilities or the organisation of recreational activities	-	-
<b>Total Funds</b>	<b>-</b>	<b>-</b>

All previous disbursements from the Trust were made in line with these broad purposes.

### **3 Remuneration & Expenses**

No remuneration or expenses were paid in 2023/24 to a charity trustee or anyone connected to a charity trustee (2022/23: Nil).

### **4 Donations Received**

No donations were received during 2023/24 (2022/23: Nil).

### **5 Grants and Donations Made**

No grants or donations were made in 2023/24 (2022/23: Nil).

### **6 External Audit**

The financial statements are the subject of a separate external audit. The appointed external auditor is Rachel Browne CPFA, Audit Director, Audit Scotland.

### **7 Events After the Reporting Date**

Other than steps being initiated to wind up The Dundee Trust, there are no events that occurred between 25 April 2024 and 25 September 2024 that would require restatement to the 2023/24 financial statements. The latter date is the date on which

the audited accounts were authorised for issue by the Chairperson, on behalf of the Trustees.

**8 Governance Costs**

Any governance costs associated with the management of the Trust (including administration costs and the relevant share of the annual audit fee) are absorbed by Dundee City Council. These costs are estimated at £400 in 2023/24, being £400 administration costs and £250 audit fee. (2022/23: total £400, being £150 administration costs and £250 audit fee).

**9 Parent Entity**

The Dundee Trust is a subsidiary of Dundee City Council, a local authority established under the Local Government etc. (Scotland) Act 1994. Copies of the Group Accounts of Dundee City Council can be obtained from the contact listed in note 10.

**10 Further Information**

Any queries regarding this document should, in the first instance, be addressed to:

Francois de Villiers FCA, CA(SA)  
Accounting Strategy Manager  
Corporate Services  
Dundee City Council  
50 North Lindsay Street  
Dundee  
DD1 3NZ

(Email: [francois.devilliers@dundeecity.gov.uk](mailto:francois.devilliers@dundeecity.gov.uk))  
(Telephone: 07385 931075)

## **Independent auditor's report to the trustees of the Dundee Trust and the Accounts Commission**

### **Report on the audit of the financial statements**

#### **Opinion on financial statements**

I certify that I have audited the financial statements in the statement of accounts of the Dundee Trust for the period ended 24 April 2024 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Receipts and Payments, the Statement of Balances and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and a receipts and payments basis.

In my opinion the accompanying financial statements:

- properly present the receipts and payments of the charity for the period ended 24 April 2024 and its statement of balances at that date; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulations 9(1), (2) and (3) of The Charities Accounts (Scotland) Regulations 2006.

#### **Basis for opinion**

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **Responsibilities of the trustees for the financial statements**

As explained more fully in the Statement of Responsibilities, the trustees are responsible for the preparation of financial statements that properly present the receipts and payments of the charity, and for such internal control as the trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibilities for the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the local government sector and charity sector to identify that the Local Government (Scotland) Act 1973, Charities and Trustee Investment (Scotland) Act 2005 and The Charities Accounts (Scotland) Regulations 2006 are significant in the context of the charity;
- inquiring of the Trustees as to other laws or regulations that may be expected to have a fundamental effect on the operations of the charity;
- inquiring of the Trustees concerning the charity's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the charity's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## **Reporting on other requirements**

### **Other information**

The trustees are responsible for the other information in the statement of accounts. The other information comprises the Trustees' Annual Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Trustees' Annual Report to the extent explicitly stated in the following opinion prescribed by the Accounts Commission.

**Opinions prescribed by the Accounts Commission on the Trustees' Annual Report**

In my opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with The Charity Accounts (Scotland) Regulations 2006.

**Matters on which I am required to report by exception**

I am required by The Charity Accounts (Scotland) Regulations 2006 to report to you if, in my opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

**Use of my report**

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

**Rachel Browne CPFA  
Audit Director  
Audit Scotland  
102 West Port  
Edinburgh  
EH3 9DN**

Rachel Browne is eligible to act as an auditor in terms of Part VII of the Local Government (Scotland) Act 1973.



**Report No: 263-2024**

**FLEMING TRUST**

**SC052182**

**ANNUAL ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**AUDITED**

**FLEMING TRUST**  
**ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024**

**C O N T E N T S**

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## TRUSTEES' ANNUAL REPORT

### LEGAL AND ADMINISTRATIVE INFORMATION

#### Trustees

The Trustees of the Fleming Trust are the 29 councillors of Dundee City Council. Councillors are elected to serve for a period of five years. The last full Council election was held on 5 May 2022 and the first statutory meeting of the new Council took place on 23 May 2022. The following Councillors were in office during the 2023/24 financial year:

Bill Campbell (Lord Provost)  
 John Alexander (Leader of the Administration)  
 Daniel Coleman  
 Stewart Hunter  
 Baillie Kevin Keenan  
 Charlie Malone  
 Wendy Scullin  
 Roisin Smith  
 Siobhan Tolland  
 Michael Crichton  
 Nadia El-Nakla  
 Baillie Fraser Macpherson  
 Heather Anderson  
 Mark Flynn  
 George McIrvine  
 Baillie Helen Wright  
 Georgia Cruickshank  
 Ken Lynn  
 Lynne Short  
 Jax Finnegan  
 Steven Rome  
 Baillie Willie Sawers  
 Baillie Will Dawson  
 Dorothy McHugh  
 Baillie Christina Roberts  
 Kevin Cordell  
 Craig Duncan  
 Baillie Derek Scott  
 Pete Shears

#### Principal Address

c/o Dundee City Council  
 City Square Complex  
 Dundee

#### External Auditor

The appointed external auditor is:  
 Rachel Browne - Audit Director  
 Audit Scotland  
 4th Floor  
 102 West Port  
 Edinburgh  
 EH3 9DN

#### Banking Arrangements

Royal Bank of Scotland plc  
 3 High Street  
 Dundee  
 DD1 9YL

## ANNUAL REPORT 2023/24

### Administrative Details

During the 2023/24 financial year, Dundee City Council acted as sole trustee for the Fleming Trust. The Council administers the Fleming Trust's funds but the associated assets are not available to the Council and have not been included in the Council's Single Entity Balance Sheet. The Fleming Trust is a subsidiary of Dundee City Council and is included in the Council's Group Balance Sheet.

The Fleming Trust was registered with the Office of the Scottish Charity Regulator (OSCR) on 12 December 2022 with charity registration number SC52182. There was no change to the Fleming Trust's objectives, governance arrangements and activities upon registration.

### Objectives and Activities

Estate gifted in 1929 by the late Robert Fleming Esq. with the following objects: "the clearance and demolition of slum dwelling houses and the provision of suitable accommodation for re-housing the displaced occupants of slum property in Dundee, and failing them, other persons residing or wishing to take up residence in Dundee... at rents reasonably within the capacity of the beneficiaries to pay."

The Fleming Trust's funds derive from this expendable endowment. There are restrictions as to how the income derived from this is spent.

### Structure, Governance and Management Arrangements

During the 2023/24 financial year, the City Council was, in law, the sole trustee for the Fleming Trust. Elected members of the Council are automatically appointed as trustees on an ex-officio basis. "Dundee City Council as Fleming Trustees" meets typically a couple of times a year.

The Fleming Trust is governed by a Supervisory Committee comprising the Lord Provost, a Councillor and a number of individuals external to the Council. The Supervisory Committee is assisted by Council officers and an external solicitor as Clerk. The Supervisory Committee typically meets once a year.

The responsibility for day-to-day management of the Trust has been delegated to the relevant chief officers of the Council.

### Risk

The trustees have not identified any major risks to which the Fleming Trust is exposed.

### Financial Administration

Dundee City Council acted as sole trustee during the 2023/24 financial year. The financial administration of the Fleming Trust is undertaken in accordance with the Council's approved Financial Regulations. The Financial Regulations contain the following specific references to Trusts and Charitable Funds:

"11.19 The Executive Director of Corporate Services shall ensure the proper and safe custody and control of all charitable funds held by the Council and shall ensure that all expenditure is in accordance with the conditions of the trustees etc.

All officers acting as trustees by virtue of their official position shall deposit all securities etc relating to the trust or charitable fund with the Executive Director of Corporate Services.

All investments of money shall be made by the Executive Director of Corporate Services in the name of Council. Any investments made will be made in accordance with the policy determined by the Policy and Resources Committee.

The Executive Director of Corporate Services and other relevant officers shall ensure compliance with the requirements of the Office of the Scottish Charities Regulator (OSCR)."

## Financial Review

For the 2023/24 financial year, the total net surplus was £248,584 (2022/23: deficit of £53,295). Total income was £514,361 (2022/23: £416,695) comprising property rental income of £422,652 (2022/23: £386,665) and investment income of £91,709 (2022/23: £30,030). Property rental income relates to rents for 96 dwellings, at rates similar to those charged by Dundee City Council's Housing Revenue Account. Investment income relates solely to interest on surplus funds that are deposited with Dundee City Council's Loans Fund.

Total expenditure was £265,777 (2022/23: £469,990). This related mainly to repairs and maintenance costs of £62,434 (2022/23: £210,848), lost rents of £15,218 (2022/23: £21,935), depreciation of £171,256 (2022/23: £153,196) and compensation event costs of £nil relating to Covid19-related delays at the Derby Street site (2022/23: £71,779).

Depreciation is a non-cash expense, and a requirement in order to comply with the Charities Statement of Recommended Practice (SORP) and FRS102.

During the year, the 12 newly acquired properties at the Derby Street development became operational (4 from November 2022 and 8 from September 2023). The Fleming Trust bought the 12 properties for £1,910,295 during 2023/24. This was £54,550 less than accrued in the 2022/23 accounts.

Following the acquisition of these 12 new properties, Fleming Trust owns and rents out 104 properties. It also owns the sheltered lounge at Fleming Gardens/ Hindmarsh Avenue.

Total cash spent in 2023/24 was £1,636,738, mainly as a result of paying for the 12 properties (£1,910,295), offset by cash generated from operating activities of £181,848 (2022/23: £159,096) and investment income of £91,709 (2022/23: £30,030).

Total charity funds amounted to £8,738,171 as at 31 March 2024 (£8,489,587 as at 31 March 2023). The entire fund is an expendable endowment fund. Cash-backed reserves are operated in accordance with the charity's aims and objectives, as set out in the original founding document. The charity's working capital is represented by its net current assets, amounting to £689,328 as at 31 March 2024 (£214,938 as at 31 March 2023). The increase is as a result of lower accrual levels for repair programmes in 2023/24 and positive cashflow generated during the year.

## Achievements and Performance

As disclosed above, during 2023/24 the Fleming Trust incurred costs of £265,777 in pursuit of its objectives, notably £62,434 (2022/23: £210,848) towards repairs and maintenance and other property costs.

In addition, £1,910,295 was paid for the acquisition of 12 new-built dwellings, all of which were or became operational during 2023/24.

## Trustee Remuneration and Expenses

No trustees received any remuneration or expenses during the 2023/24 financial year (2022/23: £nil).

## External Audit

These financial statements are subject to external audit.

**Further Information**

Any queries regarding this document should, in the first instance, be addressed to:

Francois de Villiers FCA, CA(SA)  
Accounting Strategy Manager, Corporate Services  
Dundee City Council  
50 North Lindsay Street  
Dundee  
DD1 3RF

(Email: [francois.devilliers@dundeecity.gov.uk](mailto:francois.devilliers@dundeecity.gov.uk))  
(Telephone: 07385 931075)

Signed on behalf of the trustees on 25 September 2024

Bailie Willie Sawers  
Senior Councillor with responsibility for Finance  
Dundee City Council



## STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 25 September 2024 and signed on their behalf by:

Bailie Willie Sawers  
Senior Councillor with responsibility for Finance  
Dundee City Council

## FLEMING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024

	Note	Total funds 2022/2023	Total funds 2023/2024
		£	£
Rent		386,665	422,652
Investment Income	7	30,030	91,709
<b>Total income</b>		<b>416,695</b>	<b>514,361</b>
Property Insurance		5,000	5,000
Repairs & Maintenance		210,848	62,434
Landlords Supplies		5,000	5,000
Audit Fees		1,732	1,268
Legal Fees		0	4,226
Computer-Consumables		500	500
Lost Rents		21,935	15,218
Compensation event		71,779	0
Other outlays		0	875
Depreciation		153,196	171,256
<b>Total expenditure</b>		<b>469,990</b>	<b>265,777</b>
<b>Net income/(expenditure)</b>		<b>(53,295)</b>	<b>248,584</b>
<b>Net movement in funds</b>		<b>(53,295)</b>	<b>248,584</b>
<b>Total funds brought forward</b>		<b>8,542,882</b>	<b>8,489,587</b>
<b>Total funds carried forward</b>		<b>8,489,587</b>	<b>8,738,171</b>

These funds are deemed to be restricted, permanent endowment (capital) funds.

## FLEMING TRUST

## BALANCE SHEET AS AT 31 MARCH 2024

	Note	As at 31 March 2023 £	As at 31 March 2024 £
<b>Fixed assets</b>			
Tangible assets	3	8,274,649	8,048,843
<b>Total fixed assets</b>		<b>8,274,649</b>	<b>8,048,843</b>
<b>Current assets</b>			
Debtors	4	65,212	56,640
Investments	5	1,908,157	308,157
Cash at Bank and In Hand		443,882	407,144
<b>Total current assets</b>		<b>2,417,251</b>	<b>771,941</b>
<b>Liabilities</b>			
Creditors falling due within one year	6	(2,202,313)	(82,613)
<b>Net current assets</b>		<b>214,938</b>	<b>689,328</b>
<b>Total assets less current liabilities</b>		<b>8,489,587</b>	<b>8,738,171</b>
Creditors falling due after more than one year		-	-
<b>Net assets</b>		<b>8,489,587</b>	<b>8,738,171</b>
<b>The funds of the charity</b>			
Endowment funds		8,489,587	8,738,171
<b>Total charity funds</b>		<b>8,489,587</b>	<b>8,738,171</b>

The notes at pages 11 to 13 form part of these accounts.

The unaudited accounts were authorised for issue on 26 June 2024 and the audited accounts were authorised for issue on 25 September 2024 and signed on their behalf by:-

Baillie Willie Sawers  
Senior Councillor with responsibility for Finance  
Dundee City Council

## FLEMING TRUST

## CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

	Note	As at 31 March 2023 £	As at 31 March 2024 £
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by (used in) operating activities</b>		<b>159,096</b>	<b>181,848</b>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		30,030	91,709
Purchase of property, plant and equipment		-	(1,910,295)
<b>Net cash provided by (used in) investing activities</b>		<b>30,030</b>	<b>(1,818,586)</b>
<b>Cash flows from financing activities:</b>			
Repayments of borrowing		-	-
Cash inflows from new borrowing		-	-
<b>Net cash provided by (used in) financing activities</b>		<b>-</b>	<b>-</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>189,126</b>	<b>(1,636,738)</b>
Cash and cash equivalents at the beginning of the reporting period	8	2,162,913	2,352,039
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>2,352,039</b>	<b>715,301</b>

The notes at pages 11 to 13 form part of these accounts.

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Accounting Policies

The following accounting policies set out the basis upon which the financial statements have been prepared and explain the accounting treatment of both general and specific items.

#### a) Basis of Preparation

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### b) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

#### c) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

#### d) Tangible fixed assets and depreciation

All assets costing more than £6,000 are capitalised and valued at historical cost. Depreciation is charged on a straight-line basis over their estimated useful lives, from the first full operational year following acquisition. Assets with a cost over £1m are componentised and depreciated as follows:

Component	% of cost	Useful life
Building structure	50	50
Building roof	10	35
Kitchens & Boilers	15	15
Bathrooms & Radiators	15	30
Building Externals	10	45
<b>Total</b>	<b>100</b>	

The cost of Land is not depreciated.

#### e) Investments

There are no external investments, rather all surplus funds are deposited with Dundee City Council's Loans Fund. All such deposits are valued at historical cost in the Balance Sheet.

#### f) Going Concern

The accounts are prepared on the going concern basis as it is considered by the trustees that the Fleming Trust is financially sustainable for the foreseeable future.

## 2 Assumptions made about the future and other major sources of estimation uncertainty

The Annual Accounts contain estimated figures that are based on assumptions made about the future or that are otherwise uncertain. Because these balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. The items in the Fleming Trust's Balance Sheet at 31 March 2024 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Property, Plant and Equipment	Assets are depreciated over estimated useful lives in accordance with Accounting Policy. The estimates are made taking into account historical experience.	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. It is estimated that the annual depreciation charge for buildings would increase by £6,700 for every year that useful lives had to be reduced.

## 3 Analysis of Tangible Fixed Assets

	Land and buildings	Assets under construction	Total
	£	£	£
<b>Cost</b>			
At 1 April 2023	7,081,603	1,346,242	8,427,845
Additions			
Disposals	-	-	-
Adjustment	(54,550)	-	(54,550)
Transfers	1,346,242	(1,346,242)	-
<b>At 31 March 2024</b>	<b>8,373,295</b>	<b>-</b>	<b>8,373,295</b>
<b>Depreciation</b>			
At 1 April 2023	153,196	-	153,196
Charge for the year	171,256	-	171,256
Eliminated on disposals	-	-	-
<b>At 31 March 2024</b>	<b>324,452</b>	<b>-</b>	<b>324,452</b>
<b>Net book value</b>			
<b>At 31 March 2024</b>	<b>8,048,843</b>	<b>-</b>	<b>8,048,843</b>
<b>At 31 March 2023</b>	<b>6,928,407</b>	<b>1,346,242</b>	<b>8,274,649</b>

## 4 Debtors

Relates to rent receivable at year end.

## 5 Investments

Relates to amounts invested, and held by, Dundee City Council's Loans Fund.

## 6 Creditors

Relates to amount due to Dundee City Council to cover cost of the new dwellings at Derby Street £nil (2022/23: £1,965,845) and other reimbursements payable to Dundee City Council £79,613 (2022/23: £235,736) as well as the audit fee of £3,000 (2022/23: £1,732).

## 7 Investment Income

There are no external investments, rather all surplus funds are deposited with Dundee City Council's Loans Fund. Interest receivable is based on the Loans Fund interest on revenue balances (IORB) rate and is paid twice yearly. The average IORB rate during 2023/24 was 4.23% (2022/23: 1.59%).

## 8 Cashflow Statement: cash and cash equivalents

The balance of cash and cash equivalents is made up of the following elements:

	<b>31 March 2023</b>	<b>31 March 2024</b>
	<b>£</b>	<b>£</b>
Investments held with Dundee City Council's Loans Fund	1,908,157	308,157
Cash at Bank and in hand	443,882	407,144
<b>Total cash and cash equivalents</b>	<b>2,352,039</b>	<b>715,301</b>

## 9 Related Party Transactions

During 2023/24, all surplus funds were deposited with Dundee City Council's Loans Fund. At 31 March 2024, a total balance of £308,157 (31 March 2023: £1,908,157) was held with Dundee City Council. Investment income of £91,709 (2022/23: £30,030) was received from Dundee City Council's Loans Fund during 2023/24. Refer also to Creditors note for balances payable to Dundee City Council.

## 10 Events After the Reporting Period

There were no events that occurred between 1 April 2024 and 25 September 2024 that would require adjustment to the 2023/24 financial statements. The latter date is the date on which the audited accounts were authorised for issue by the Senior Councillor with responsibility for Finance.

## 11 Parent Entity

The Fleming Trust is a subsidiary of Dundee City Council, a local authority established under the Local Government etc. (Scotland) Act 1994. Copies of the Group Accounts of Dundee City Council can be obtained from the contact listed on page 6.

## 12 Audit fees

The financial statements are subject to external audit. The total audit fee for the year was £2,750 (2022/23: £1,732).

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FLEMING TRUST AND THE ACCOUNTS COMMISSION

### Reporting on the audit of the financial statements

#### Opinion on financial statements

I certify that I have audited the financial statements in the statement of accounts of Fleming Trust for the year ended 31 March 2024 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of Fleming Trust as at 31 March 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of The Charities Accounts (Scotland) Regulations 2006.

#### Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

#### Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees intend to discontinue the charity's operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the local government sector and charity sector to identify that the Local Government (Scotland) Act 1973, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 are significant in the context of the charity;
- inquiring of the Trustees as to other laws or regulations that may be expected to have a fundamental effect on the operations of the charity;
- inquiring of the Trustees concerning the charity's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the charity's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

### **Reporting on other requirements**

#### **Other information**

The trustees are responsible for the other information in the statement of accounts. The other information comprises the Trustees' Annual Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Trustees' Annual Report to the extent explicitly stated in the following opinion prescribed by the Accounts Commission.

#### **Opinions prescribed by the Accounts Commission on the Trustees' Annual Report**

In my opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Charities SORP (FRS 102).

#### **Matters on which I am required to report by exception**

I am required by The Charity Accounts (Scotland) Regulations 2006 to report to you if, in my opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

#### **Use of my report**

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

**Rachel Browne CPFA**  
**Audit Director**  
**Audit Scotland**  
**102 West Port**  
**Edinburgh**  
**EH3 9DN**

Rachel Browne is eligible to act as an auditor in terms of Part VII of the Local Government (Scotland) Act 1973.

**REPORT TO:** SCRUTINY COMMITTEE - 25 SEPTEMBER 2024

**REPORT ON:** INTERNAL AUDIT PLAN UPDATE AND PROGRESS REPORT

**REPORT BY:** CHIEF INTERNAL AUDITOR

**REPORT NO:** 253-2024

## **1.0 PURPOSE OF REPORT**

To submit to Members of the Scrutiny Committee an update on the progress towards delivering the 2024/25 Internal Audit Plan; the audits from previous years' plans that were not complete in June 2024; and information about the number of open internal audit recommendations. The report also comments on a review of the Internal Audit Charter.

## **2.0 RECOMMENDATIONS**

It is recommended that the Committee note:

- (i) the progress with the Internal Audit Plan;
- (ii) progress with the implementation of agreed internal audit recommendations; and
- (iii) the current position regarding the Internal Audit Charter.

## **3.0 FINANCIAL IMPLICATIONS**

None.

## **4.0 AUDIT PROGRESS**

- 4.1 Appendix 1 notes the current stage of progress with implementing the 2024/25 Internal Audit Plan and the outstanding items brought forward from the 2022/23 AND 2023/24 Plans (the plan).
- 4.2 Appendix 2 shows the open internal audit recommendations by service, audit year and risk priority. Progress has continued to implement actions, with eleven actions closed since this was last reported in April 2024. The majority of actions still require a revised completion date.

## **5.0 INTERNAL AUDIT CHARTER**

- 5.1. The Internal Audit Charter should be regularly reviewed and updated when necessary. An annual review is planned to take place in August each year starting in 2024. The Dundee City Council Internal Audit Charter was last reviewed and reported to the December 2023 Scrutiny Committee meeting. Report 357 –2023 refers.
- 5.2. There has been no change in the guidance for the content of the Audit Charter and therefore no changes are required or proposed.
- 5.3. The updated Global Audit Standards published in January 2024 make some changes which may be reflected in the new Public Sector Internal Audit Standards (PSIAS) that are expected to be published late 2024/early 2025 for implementation by 1 April 2025. The charter will be updated in line with the new PSIAS guidance once it is published.

**6.0 POLICY IMPLICATIONS**

This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services, or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

**7.0 CONSULTATIONS**

The Council Leadership Team have been consulted in the preparation of this report.

**8.0 BACKGROUND PAPERS**

None.

Appendix 1 - 2022/23, 2023/24 and 2024/25 Internal Audit Plan update.

Appendix 2 - Outstanding Internal Audit Agreed Actions.

**CATHIE WYLLIE**  
**CHIEF INTERNAL AUDITOR**

**DATE: 3 SEPTEMBER 2024**

## Completed items

## 2022/23 and 2023/24 Internal Audit Plan - Progress Report (Audits completed after June 2024)

2022/23 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level
<b><i>Governance Reviews</i></b>				
Staff Wellbeing/Absence Management (Contractor)	Review of the governance arrangements in place throughout the Council to promote and support staff wellbeing. The scope of this audit will pick up some elements of the absence management audit removed from the plan.	December 2024	In Clearance	
<b><i>ICT Reviews</i></b>				
Microsoft Office 365 (Contractor)	Review of access permissions and licensing arrangements for Office 365 including linking to management of network access.	December 2024	Draft report issued 7/6/24 Revised draft issued 3/7/24 Response rcd 3/9/24	
Civica CX	Review of the arrangements for the implementation of Phase 1 of Civica CX incorporating Housing Rent collection and recording of Housing Benefit/Universal Credit housing costs.	February 2025	Planned	
User Access Controls (Contractor)	High level review of the appropriateness of user access levels and associated permissions for a number of the Council's key IT systems including any arrangements put in place during working from home.	December 2024	Draft report issued 16/7/24	

2022/23 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level
<b>Systems Reviews</b>				
Health and Safety - Incident Reports	Review of the Council's arrangements for the recording and reporting of Incident Reports.	September 2024	Complete	Substantial
<b>Procurement / Contract Reviews</b>				
Social Work Contracts and Payments	Review of contract management and commissioning arrangements, including payments, within Dundee Health and Social Care Partnership to assess their adequacy and effectiveness.	February 2025	In Progress	

2023/24 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level
<b>Governance Reviews</b>				
Absence Management	Review the arrangements in place within the Council to mitigate long term and future absence arising from sickness absences.	December 2024	Joint with Staff Wellbeing above In Clearance	
Corporate Governance	Review of elements of the Annual Corporate Governance checklist with service areas to demonstrate evidence of compliance.	December 2024	Draft report Issued 4/9/24	
<b>Financial Reviews</b>				
Corporate Debt Recovery Arrangements	Corporate wide review of the Council's debt management and debt recovery arrangements.	December 2024	In Review	

2023/24 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level
Financial Forecasting (Contractor)	High level review of the control framework in place to support the development of financial forecasting corporately and within service areas.	December 2024	Draft report issued 24/7/24	
<b><i>Procurement / Contract Reviews</i></b>				
SLAs with External Bodies	Assess the extent to which the Council has adequate service level agreements in place where Council responsibilities are delivered by external bodies. To include an assessment of arrangements to ensure satisfactory service delivery and value for money.	April 2025	Planning	
<b><i>System Reviews</i></b>				
Health and Safety Risk Assessments and Incident Management in Schools	Review of the arrangements in place within schools to ensure completion of health and safety risk assessments for activities including determination of roles and responsibilities.	February 2025	In Progress	
Section 75 Planning Obligations (Contractor)	Review of the arrangements in place for the recording, receipt, and monitoring of Section 75 payments/planning obligations from Developers.	February 2025	In Progress	
Safety Alarm Response Centre	To assess the arrangements for the operation of the Safety Alarm Response Centre (SARC) in line with the Council's Resilience and Community Safety plans	December 2024	In Clearance	
Pentana	Review of the Council's Performance and Risk Management system in terms of management reporting and efficiencies.	December 2024	In review	
Permanence	High level review of the arrangements in place to support the decision-making process surrounding children being placed in permanent care and ensure compliance with relevant legislation.	December 2024	In Progress	

2023/24 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level
Recruitment (Contractor)	Review of the Council's Recruitment and Selection approach, including reporting and analysis of effectiveness, and identification of actions where required.	December 2024	Draft Report Issued 23/8/24	
Young People in Residential Care - Missing Persons Processes	Review of the arrangements for risk assessment, planning for, and prevention of young people going missing from Residential Care. To include review of processes for identifying, recording, and responding to such instances.	April 2025	Planning. Audit referred to take place later in 2024/25	

2024/25 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level
<b>Governance Reviews</b>				
Child Poverty and Fairness Action Plan	Review of the arrangements to implement and oversee the next phase of the Fairness and Local Child Poverty Action Plan, including measurement of progress towards Scottish Government targets.	April 2025		
Partnership Working - Dundee Alcohol and Drugs Partnership	Review of the arrangements which underpin the Council's delivery responsibilities under the Alcohol and Drugs Partnership's Strategic Framework, including delivery plans, progress monitoring, and engagement with other members of the Partnership.	April 2025		
Tay Cities Deal	The Grant Offer Letter provided to Dundee City Council as lead authority for the deal requires that the Authority's Internal Audit Service performs a review of arrangements to implement and oversee the deal at least every other year.  This year's audit will be a review of the benefits realisation processes including assessment of benefits towards delivering outcomes.	February 2025	Planned	



2024/25 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level
Risk Management	A review of the Council's risk management processes will be carried out by the Internal Audit contractor.	June 2025		
<b>ICT Reviews</b>				
End User Computing - Cloud Migration	A critical friend review of the processes in place to manage end user device access to the Council's network and applications. There have been changes to how people work and the devices they use. From a security perspective, it is vital that only authorised	TBC		
User Access Management	The review will consider the adequacy of user access management controls for the Northgate application. This will include assessment of the processes for joiners, movers, and leavers as well as access management arrangement to achieve	TBC		
<b>Financial Reviews</b>				
Capital Planning and Monitoring	Review of the procedures to oversee the implementation of Capital Plans, in line with the Council's Capital Investment Strategy, and monitor and scrutinise Capital expenditure.	February 2025		
Payroll - Changes in Circumstances	Review of the processes by which information affecting individual's pay calculation is notified and actioned. To include pension contributions and salary sacrifice schemes.	February 2025		
Purchase to Pay	Review of expenditure processes following the implementation of purchase to pay. To include consideration approaches to support continuous auditing of purchasing data.	February 2025		
<b>Systems Reviews</b>				

2024/25 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level
Asset Management	Review of the processes which ensure that the Council's asset management databases are complete, accurate, and kept up to date. To include processes for condition assessment.	February 2025		
Housing - Planned and Reactive Maintenance	Review of the processes to plan and carry out maintenance on Council housing stock, including arrangements for reactive maintenance.	April 2025		
Immigration Sponsorship and Visas	Review of the processes by which the Council considers and manages recruitment applications from individuals overseas and/or requiring visa sponsorship, including the update of these policies and procedures in line with changing legislation.	April 2025		
Onboarding & Induction	Review of onboarding processes for all staff, and the guidance available to line management overseeing and recording the onboarding of new starts.	June 2025		
Multi Agency Safeguarding Hub (MASH) Intake processes	Review of the administrative processes to support the Multi-Agency Safeguarding hub in taking timely, effective action on referrals in collaboration with Council Services and partner bodies.	April 2025		
Climate Strategy and Delivery Plans	Review to be conducted using a scope and audit programme being developed by SLACIAG for use across local authorities in Scotland.	June 2025		
Insurance	A review of Insurance processes will be carried out by the Internal Audit contractor.	June 2025		
DHSCP Review	Review covering an aspect of DHSCP activity. Scope to be confirmed in consultation with the internal auditors for the IJB.	June 2025	Draft plan in discussion	
<b>Other Work</b>				

2024/25 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level
Follow Up	Review of progress with the implementation of prior internal audit actions agreed by the Council, for the purpose of providing assurance to Elected Members that identified issues are addressed on a timely basis, and that management attention is appropriately directed towards issues which expose the Council to higher degrees of risk.	Each meeting	Ongoing.	N/A
Technical Development	Planning and Scoping work for review and update of the Council's Internal Audit Methodology, including the introduction of Continuous Auditing and Data Analytics and implementation of new Public Sector Internal Audit Standards expected late summer/early autumn 2024.	As required	Partially complete, with some areas in progress or awaiting revised Internal Audit Standards	N/A
Advice and Guidance	Provision of ad-hoc support to assist services in respect of specific queries and contribute to the delivery of improvements in the Council's framework of governance, risk management and control. This will include the ongoing provision of advice and guidance surrounding the development of newly implemented systems and processes, or the revision and update of those processes.	N/A	Ongoing	N/A
External Quality Assessment Process	As part of the peer review process developed to ensure conformance with the PSIAS, complete External Quality Assessment (EQA) of the Council's Internal Audit Service. Self-assessment provided to reviewer November 2023. Delays in progress with review due to reviewer's resourcing issues.	December 2024	Review in progress. Reporting is planned to December 2024 Scrutiny Committee	
PSIAS Quality Self-Assessment Process	Annual self-assessment for conformance with PSIAS.	June 2025		
Specific Investigations	To respond to requests for advice and assistance as required in respect of cases of suspected fraud, corruption, or malpractice.	As required	On-going as required	N/A

## Definitions of Levels of Assurance

Comprehensive Assurance	The system of controls is essentially sound and supports the achievement of objectives and management of risk. Controls are consistently applied. Some improvement in relatively minor areas may be identified.
Substantial Assurance	Systems of control are generally sound, however there are instances in which controls can be strengthened, or where controls have not been effectively applied giving rise to increased risk.
Limited Assurance	Some satisfactory elements of control are present; however, weaknesses exist in the system of control, and / or their application, which give rise to significant risk.
No Assurance	Minimal or no satisfactory elements of control are present. Major weaknesses or gaps exist in the system of control, and/or the implementation of established controls, resulting in areas of unmanaged risk.

## OUTSTANDING INTERNAL AUDIT AGREED ACTIONS

Agreed actions from Internal Audit recommendations are recorded in Pentana and implementation is monitored by Services and the Risk and Assurance Board. Implementation of the agreed action is the responsibility of the service area, and the risk exposure identified in the audit remains in place until the action has been completed. New dates should be agreed for actions that were not complete by their original due date.

The numbers of outstanding actions in Pentana for each Service, by audit year, on 3 September 2024 are summarised in the following tables.

- Table 1 - shows actions that have not yet reached their original agreed due date.
- Table 2 - shows actions that have had their due dates extended,
- Table 3 - shows actions overdue from their agreed due date, and which require a new date to be agreed.

At 9 September 2024 there were 48 open actions, compared to 44 at 29 May 2024. Two are critical but have not yet reached their due date. This represents the closure of 14 actions and addition of 18 actions. New dates for completion of overdue actions are required for the actions in Table 3. There is still work to be done to close off older actions, the majority of which have a high level of completion but still require a little more work to complete fully.

**Table 1 - Actions not yet reached original agreed due date**

Service	Audit Year	Critical	High	Medium	Low	Total
		No	No	No	No	No
Chief Executives Service	2022/23	2	-	-	-	2
	2023/24	-	2	1	1	4
Children and Families	2023/24	-	-	2	-	2
Corporate Services	2022/23	-	3	1	1	5
Neighbourhood Services	2022/23	-	1			1
<b>Totals</b>		<b>2</b>	<b>6</b>	<b>4</b>	<b>2</b>	<b>14</b>

Table 2 - Actions with due date extended from original due date

Service	Audit Year	Critical No	High No	Medium No	Low No	Total No
Children and Families	2022/23	-	-	-	2	2
City Development	2022/23	-	1	-	-	1
Corporate Services	2021/22	-	1	-	-	1
	2022/23	-	1	1	2	4
<b>Totals</b>		<b>0</b>	<b>3</b>	<b>1</b>	<b>4</b>	<b>8</b>

Table 3 - Actions overdue from agreed due date

Service	Audit Year	Critical No	High No	Medium No	Low No	Total No
Children and Families	2021/22	-	2	-	-	2
	2023/24	-	-	2	1	3
City Development	2022/23	-	1	-	-	1
Corporate Services	2020/21	-	1	-	-	1
	2021/22	-	-	-	5	5
	2022/23	-	-	4	2	6
Corporate	2021/22	-	1	-	1	2
Neighbourhood Services	2016/17	-	1	-	-	1
	2017/18	-	1	-	-	1
	2020/21	-	2	-	-	2
	2021/22	-	2	-	-	2
<b>Totals</b>		<b>0</b>	<b>11</b>	<b>6</b>	<b>9</b>	<b>26</b>

## Definitions of Action Priority

Critical	<b>Very high-risk exposure to potentially major negative impact</b> on resources, security, records, compliance, or reputation from absence of or failure of a fundamental control. Immediate attention is required.
High	<b>High risk exposure to potentially significant negative impact</b> on resources, security, records, compliance, or reputation from absence of or non-compliance with a key control. Prompt attention is required.
Medium	<b>Moderate risk exposure to potentially medium negative impact</b> on resources, security, records, compliance or reputation from absence or non-compliance with an important supporting control, or isolated non-compliance with a key control. Attention is required within a reasonable timescale.
Low	<b>Low risk exposure to potentially minor negative impact</b> on resources, security, records, compliance, or reputation from absence of or non-compliance with a lower-level control, <b>or areas without risk exposure but which are inefficient, or inconsistent with best practice.</b> Attention is required within a reasonable timescale.

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REPORT TO: SCRUTINY COMMITTEE – 25 SEPTEMBER 2024

REPORT ON: INTERNAL AUDIT REPORTS

REPORT BY: CHIEF INTERNAL AUDITOR

REPORT NO: 254-2024

1.0 PURPOSE OF REPORT

To submit to Members of the Scrutiny Committee a summary of the Internal Audit Reports finalised since the last Scrutiny Committee.

2.0 RECOMMENDATIONS

Members of the Committee are asked to note the information contained within this report.

3.0 FINANCIAL IMPLICATIONS

None

4.0 MAIN TEXT

4.1. The day-to-day activity of the Internal Audit Service is primarily driven by the reviews included within the Internal Audit Plan. On completion of a specific review, a report which details the audit findings and recommendations is prepared and issued to management for a formal response and submission of management’s proposed action plan to take the recommendations forward. Any follow-up work subsequently undertaken will examine the implementation of the action plan submitted by management.

4.2. Executive Summaries for the reviews which have been finalised in terms of paragraph 4.1 above since the last Scrutiny meeting are provided at Appendix A. The full reports are available to Elected Members on request. Reporting in Appendix A covers:

Audit	Assurance level
Health and Safety – Incident Reports	Substantial

4.3. Internal audit recommendations are now being categorised as either relating to the design of the control system (Design) or compliance with the operation of the controls (Operational). A comment on this is now included in each report

5.0 POLICY IMPLICATIONS

This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services, or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

**6.0 CONSULTATIONS**

The Council Leadership Team have been consulted in the preparation of this report.

**7.0 BACKGROUND PAPERS**

None.

**CATHIE WYLLIE, CHIEF INTERNAL AUDITOR**

**3 SEPTEMBER 2024**

**(i) INTERNAL AUDIT REPORT 2022/23**

<b>Client</b>	<b>Neighbourhood Services</b>
<b>Subject</b>	<b>Health and Safety Incident Reports</b>

**Executive Summary**

*Conclusion*

**Substantial Assurance**

Dundee City Council has a well-established framework of incident reporting processes with clear policies, procedures, and guidelines which demonstrate a commitment to incident management and continuous improvement. However, we identified instances in which processes have not operated as designed, including inconsistencies and gaps in records of incidents, and issues with the availability of incident documentation.

*Background*

The Council has responsibilities under the Health and Safety at Work etc Act 1974 and the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR 2013) to record, review, investigate and report on Health and Safety incidents. These statutory instruments are supplemented by the Management of Health and Safety at Work Regulations 1999 and corresponding guidance from the Health and Safety Executive (HSE).

Health and Safety is about preventing people from being harmed by, or becoming ill through, work. All employees are responsible for reporting health and safety incidents at work, including near-misses where someone could have been harmed.

Certain incidents, such as an accident which results in death or a specific serious injury, for example, an injury likely to lead to permanent loss of sight or reduction in sight, or accidents that prevent the injured person from continuing their normal work for more than 7 days, must be reported to the HSE within 15 days of the accident.

The Council has developed a corporate Health and Safety Toolkit, which includes various sections including 'Accidents and Dangerous Occurrences' and 'Inspections and Audit.' The toolkit is supported by the Council's Health and Safety Policy Framework, which requires each service to put in place tailored, formal, local arrangements.

*Scope*

Review of the Council's arrangements for the recording and reporting of Incident Reports relating to both Construction Services and Environmental Services within Neighbourhood Services.

*Objectives*

		Action Priority			
		C	H	M	L
Confirm that Services have adequate arrangements in place to record, report and investigate all incidents (and all near misses).	<b>Substantial Assurance</b>	-	1	1	-
Verify that all relevant incidents are being reported to HSE within their 15-day timescale.	<b>Comprehensive Assurance</b>	-	-	-	-
Confirm that Services have adequate arrangements in place for learning from incidents.	<b>Comprehensive Assurance</b>	-	-	-	-
Ensure regular monitoring is in place each month to confirm any management action, identified after an incident, has taken place to minimise the risk of incidents re-occurring.	<b>Substantial Assurance</b>	-	-	1	1
<b>TOTAL</b>		-	1	2	1

*Nature of Recommendations*

All of the recommendations relate to the design of controls and are primarily intended to address issues identified with the operation of existing controls.

### *Key Findings*

We identified a number of areas of good practice:

- There is a well-established and documented incident reporting process which is clearly outlined in the Health and Safety Policy Framework 2020. The framework is supported by comprehensive guidance documents and standardised incident report forms.
- Health and safety training has been developed for employees at all levels. Training programmes are regularly reviewed and updated to incorporate best practice, regulatory requirements, and lessons learned from previous incidents.
- The Council's process for reporting incidents to HSE is generally robust and compliant, underpinned by clear reporting policies and well-defined criteria for determining reportable incidents.
- The Health and Safety Team have established processes, training, and guidance for incident management, including conducting investigations, documentation requirements, and identifying preventative measures.
- Processes have been established to ensure that the insights and lessons learned from incidents are effectively incorporated into the risk management framework, policies, and procedures.
- There are monitoring and evaluation methods in place which assess the effectiveness of learning from incidents.
- There are clear processes for identifying, documenting, and communicating lessons learned as well as designated roles and responsibilities for individuals involved in the communication process.
- Responsibility for implementation of actions arising from incident investigation is clearly allocated.
- Implementation of management actions identified through incident investigations and risk assessment is tracked through a monthly monitoring process.
- The Health and Safety team monitor Health and Safety performance and report a standard set of management information to Services.

We have identified the following areas for improvement:

- There is a process designed to ensure accurate and complete incident reporting however its complexity means that information is not always captured consistently. A simplified incident recording process has been implemented from April 2024.
- In some cases, incident reports or related documentation were found to be incomplete or entirely absent from the designated folders.
- Investigation timescales were not always adhered to, and we found an inconsistent standard of documentation. Some supporting documentation could not be located.

### *Impact on risk register*

The DCC Corporate and Neighbourhood services risk registers included, at time of audit, the following risks:

- **DCC006: Corporate Health & Safety** (Inherent risk 5x3, residual risk 4x3)
- **DCC008: Workforce** (Inherent risk 4x4, residual risk 4x4)
- **DCC009: Statutory & Legislative Compliance** (Inherent risk 5x4, residual risk 5x2, target risk 5x2)
- **NSCo002: Workforce** (Inherent risk 4x4, residual risk 4x3)

- **NSCo007: Legal / Regulatory Compliance** (Inherent risk 5x3, residual risk 5x3)
- **NSCo011: Communication** (Inherent risk 5x5, residual risk 4x3)
- **NSEN008: Legal / Regulatory Compliance** (Inherent risk 5x5, residual risk 5x3)
- **NSEN009: Health & Safety Procedures / Training** (Inherent risk 5x4, residual risk 4x3)
- **NSEN015: Staff** (Inherent risk 5x4, residual risk 4x3)

The Corporate Health and Safety, Statutory and Legislative Compliance, Legal/Regulatory Compliance (Environmental and Construction) risks all identify failure to comply with legislation, regulations and statutory guidelines as potential causes of the risks being realised. The incident reporting procedures and the integration of lessons learned into policies and procedures are key controls in mitigating these risks and help ensure that the council operates in accordance with legal and regulatory requirements.

The audit found that actions around lessons learned confirmed this control is working well.

In the course of the review of the incident reporting processes, we considered the overarching risk that the council fails to effectively manage health and safety incidents, leading to potential legal and regulatory non-compliance, reputational damage and harm to employees and stakeholders. While we found that the incident reporting procedure is well-established and documented, we noted inconsistencies in adherence to this procedure across all services. The audit revealed that the effectiveness of key controls may be compromised due to inconsistent application by staff. The inconsistencies were not pervasive across all sampled incidents however they were present in a notable proportion of the reviewed documentation. The recommendations aim to ensure that the existing controls are properly implemented and adhered to, rather than introducing new controls.

## Definitions of Levels of Assurance

Comprehensive Assurance	The system of controls is essentially sound and supports the achievement of objectives and management of risk. Controls are consistently applied. Some improvement in relatively minor areas may be identified.
Substantial Assurance	Systems of control are generally sound, however there are instances in which controls can be strengthened, or where controls have not been effectively applied giving rise to increased risk.
Limited Assurance	Some satisfactory elements of control are present; however, weaknesses exist in the system of control, and / or their application, which give rise to significant risk.
No Assurance	Minimal or no satisfactory elements of control are present. Major weaknesses or gaps exist in the system of control, and / or the implementation of established controls, resulting in areas of unmanaged risk.

## Definitions of Action Priorities

Critical	<b>Very High-risk exposure to potentially major negative impact</b> on resources, security, records, compliance, or reputation from absence of or failure of a fundamental control. Immediate attention is required.
High	<b>High risk exposure to potentially significant negative impact</b> on resources, security, records, compliance, or reputation from absence of or non-compliance with a key control. Prompt attention is required.
Medium	<b>Moderate risk exposure to potentially medium negative impact</b> on resources, security, records, compliance or reputation from absence or non-compliance with an important supporting control, or isolated non-compliance with a key control. Attention is required within a reasonable timescale.
Low	<b>Low risk exposure to potentially minor negative impact</b> on resources, security, records, compliance, or reputation from absence of or non-compliance with a lower-level control, <b>or areas without risk exposure but which are inefficient, or inconsistent with best practice.</b> Attention is required within a reasonable timescale.

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**REPORT TO:** SCRUTINY COMMITTEE - 25 SEPTEMBER 2024  
**REPORT ON:** OTHER REPORTS RELEVANT TO THE REMIT OF THE SCRUTINY COMMITTEE  
**REPORT BY:** CHIEF INTERNAL AUDITOR  
**REPORT NO:** 255-2024

## **1.0 PURPOSE OF REPORT**

This report advises members of reports submitted to Tayside Contracts, Tayside Valuation Joint Board, Tay Road Bridge Joint Board, and Tay Cities Regional Deal Joint Committee that are relevant to the work of the Scrutiny Committee.

## **2.0 RECOMMENDATION**

Members of the Committee are asked to review the reports listed at Appendix 1 and determine whether any of the reports should be the subject of a more detailed discussion by this Committee.

## **3.0 FINANCIAL IMPLICATIONS**

None.

## **4.0 MAIN TEXT**

This report summarises reports that have been reported to the Tayside Contracts Joint Committee, and the Tayside Valuation and Tay Road Bridge Joint Boards from June 2024 to 9 September 2024.

## **5.0 POLICY IMPLICATIONS**

This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

## **6.0 CONSULTATIONS**

The Council's Leadership Team have been consulted in the preparation of this report.

## **7.0 BACKGROUND PAPERS**

None.

**CATHIE WYLLIE**  
**CHIEF INTERNAL AUDITOR**

**DATE: 3 SEPTEMBER 2024**

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Committee	Report Title/Summary
<p><b>Tayside Contracts Joint Committee</b> 7 June 2024</p>	<p>Agenda and reports are available at:  <a href="https://www.tayside-contracts.co.uk/tc-document?dsid=2310&amp;frm=728">https://www.tayside-contracts.co.uk/tc-document?dsid=2310&amp;frm=728</a>            Including the minute of the meeting on 11 March 2024.</p> <p><b>Reports of particular interest:</b>            JC13/2024 Draft unaudited Annual Report and Accounts for the Year to 31 March 2024            JC14/2024 Local Code of Governance and Annual Governance Statement            JC16/2024 Business Plan update</p>
<p><b>Tayside Contracts Joint Committee</b> 26 August 2024</p>	<p>Agenda and reports are available at:  <a href="https://www.tayside-contracts.co.uk/tc-document?dsid=2310&amp;frm=728">Tayside Contracts Joint Committee - Style Letter (tayside-contracts.co.uk)</a></p> <p><b>Reports of particular interest:</b>            JC 20-2024 Tayside Contracts Medium Term Financial Plan            JC 21-2024 Business Plan 2024-2027            JC23/2024 Internal Audit: Outcomes and Reviews 2023/2024 This included results from the Internal Auditor, Henderson Loggie, in their Annual Report, Follow up reviews and three audits.</p> <ul style="list-style-type: none"> <li>• <b>The Annual Report</b> concluded “In our opinion, with the exception of the issues highlighted in paragraph 1.9 above, Tayside Contracts has adequate and effective arrangements for risk management, control and governance. Proper arrangements are in place to promote and secure Value for Money. This opinion has been arrived at taking into consideration the work we have undertaken during 2023/24” paragraph 1.9 related to the findings from Report 2024/04 on Physical Security.</li> <li>• <b>2024/03 Stock Management</b> Satisfactory - system meets control objectives with some weaknesses present.</li> <li>• <b>2024/04 Physical Security</b> Requires Improvement - System has weaknesses that could prevent it achieving control objectives.</li> <li>• <b>2024/05 Staff recruitment, retention, and succession planning</b> - Satisfactory - system meets control objectives with some weaknesses present.</li> <li>• <b>2024/06 Follow up reviews.</b> This reviewed implementation from 2022/23 internal audit reports and concluded “good progress has been made in implementing the previous internal audit recommendations” Sixteen of twenty recommendations had been implemented, with 4 partially implemented. These were 2 re IT security, 1 re Follow-up on Management Assurance Review, and 1 from the 2022/23 follow-up review.</li> </ul> <p>JC24/2024 Internal Audit Plan. The 2024/25 plan proposed the following audits:</p> <ul style="list-style-type: none"> <li>• Debtors/income</li> <li>• Estimating Construction - job costing and materials purchasing</li> <li>• ICT Project Management (Zellis system integration - lessons learned)</li> <li>• Follow-up reviews</li> </ul> <p>JC26-2024 Annual sickness absence management and health surveillance report 2023/24            JC27/2024 Annual recruitment and retention report 2023/24            JC28/2024 Annual training and development report            JC29/2024 Annual Health and Safety report</p>

<p><b>Tayside Valuation Joint Board</b> 17 June 2024</p>	<p>Agenda and reports are available at: <a href="https://www.tayside-vjb.gov.uk/minutes-agendas-2024/">https://www.tayside-vjb.gov.uk/minutes-agendas-2024/</a></p> <p><b>Reports of particular interest:</b> TVJB 13-2024 Corporate Plan and Service Plan 2022-2025 TVJB 12-2024 Risk Management/Business Continuity. The Assessor’s Annual Report on Risk Management and Business Continuity arrangements. TVJB 8-2024 Fraud Guidelines TVJB 11-2024 Internal Audit</p> <ul style="list-style-type: none"> <li>• <b>Report 2024/03 - Corporate Governance</b> Good Assurance - System meets control objectives. No recommendations were made.</li> <li>• <b>Report 2024/04 - Follow-up reviews</b> Good Progress in implementing the previous internal audit actions with three (60%) of the five recommendations examined classed as “fully Implemented”. One (20%) categorised as “partially implemented”. One (20%) categorised as “little or no progress”. The “little or no progress” recommendation was classed as priority 3, which is the lowest priority.</li> </ul> <p>TVJB 9-2024 Unaudited Annual Accounts for the year ended 31 March 2024</p>
<p><b>Tayside Valuation Joint Board</b> 26 August 2024</p>	<p>Agenda and reports are available at: <a href="https://www.tayside-vjb.gov.uk/minutes-agendas-2024/">Minutes &amp; Agendas 2024 - Tayside Valuation Joint Board (tayside-vjb.gov.uk)</a></p> <p><b>Reports of particular interest:</b> TVJB 17-2024 - Public Performance Report 2023-24 TVJB 19-2024 - Health &amp; Safety Annual Report TVJB 20-2024 - Internal Audit</p> <ul style="list-style-type: none"> <li>• <b>Report 2024/05 - Non-Domestic Rates.</b> Good Assurance - System meets control objectives. One grade 3 recommendation to review and update procedures was made.</li> <li>• <b>Report 2024/06 - Annual Report.</b> The annual opinion is “In our opinion, the Board has adequate and effective arrangements for risk management, control, and governance. Proper arrangements are in place to promote and secure Value for Money. This opinion has been arrived at taking into consideration the work we have undertaken during 2023/24, and in previous years since our initial appointment.”</li> <li>• <b>Operational Plan for 2024/25.</b> The plan proposes audits of the Council tax systems; the Electoral Register; IT systems development; and follow up reviews.</li> </ul> <p>TVJB 21 Data Protection Annual Report</p>
<p><b>Tay Road Bridge Joint Board</b> 10 June 2024</p>	<p>Agenda and reports are available at: <a href="https://www.tayroadbridge.co.uk/sites/default/files/2024-06/trbjb100624ag.pdf">https://www.tayroadbridge.co.uk/sites/default/files/2024-06/trbjb100624ag.pdf</a></p> <p><b>Reports of particular interest:</b> TRB 16-2024 Response to Internal Auditor’s annual report to members. The internal auditor’s annual opinion is “In our opinion, the Board has adequate and effective arrangements for risk management, control and governance. Proper arrangements are in place to promote and secure Value for Money. This opinion has been arrived at taking into consideration the work we have undertaken during 2023/24, and in previous years since our initial appointment.”</p> <p>TRB 10-2024 Local Code of Corporate Governance TRB 11-2024 Annual Governance Statement for the Year to 31 March 2024 TRB 12-2024 Unaudited Annual Accounts for Year Ended 31 March 2024</p>

<p><b>Tay Road Bridge Joint Board 9 September 2024</b></p>	<p>Agenda and reports are available at:  <a href="http://trb090924ag.pdf">trb090924ag.pdf</a> (<a href="http://tayroadbridge.co.uk">tayroadbridge.co.uk</a>)</p> <p><b>Reports of particular interest:</b>            TRB22-2024 Annual review of risk management            TRB 20-2024 Internal audit annual audit plan 2024/2025. Proposed plan covers:</p> <ul style="list-style-type: none"> <li>• Payroll</li> <li>• Procurement and creditors/purchasing</li> <li>• Corporate Governance</li> <li>• Follow-up reviews</li> </ul>
<p><b>Tay Cities Region Deal Joint Committee 21 June 2024</b></p>	<p>Agenda and reports are available at:  <a href="https://www.taycities.co.uk/sites/default/files/2024-06/TCJC210624.pdf">https://www.taycities.co.uk/sites/default/files/2024-06/TCJC210624.pdf</a></p> <p><b>Reports of particular interest:</b>  <b>Tay Cities Region Deal Update</b></p> <p>Presentation not included in published papers</p>

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**REPORT TO: SCRUTINY COMMITTEE - 25 SEPTEMBER 2024**

**REPORT ON: NATIONAL FRAUD INITIATIVE**

**REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**REPORT NO: 256-2024**

## **1. PURPOSE OF REPORT**

This report is to inform Elected Members of the completion of the work for the mandatory 2022/23 National Fraud Initiative (NFI) exercise including the supplementary mandatory 2022/23 Electoral Roll / Council Tax Single Person Discount data matching exercise and an update on the forthcoming mandatory NFI 2024/25 exercise.

## **2. RECOMMENDATIONS**

It is recommended that Members of the Committee note:

- (i) the completion of the work on investigating the 2022/23 NFI exercises at Appendix 1;
- (ii) the content of the Audit Scotland Report 2024 on the NFI 2022/23 Exercise Appendix 2; and
- (iii) the completed NFI Self-Appraisal Checklist Part A for those charged with governance at Appendix 3.

## **3. FINANCIAL IMPLICATIONS**

There are no direct implications arising from this report. Details of the overpayments identified by the NFI exercise are detailed in paragraph 5 and Appendix 1 to this report.

## **4. BACKGROUND**

- 4.1. The NFI is a biennial data matching exercise, co-ordinated at a national level by the Cabinet Office, designed to help participating bodies detect fraud and error. Computerised techniques are utilised to compare electronic data held by different public and private sector bodies in Scotland, England and Wales and identify data matches, which may, following further examination, uncover the existence of fraud or error. The NFI exercise in Scotland is led by Audit Scotland and participation is mandatory for the Council. Participation also assists the Council with its Deter agenda.
- 4.2. The Senior Responsible Officer for the NFI exercise in the Council is the Executive Director of Corporate Services and the Key Contact is the Corporate Fraud Supervisor, who reports operationally to the Acting Senior Manager - Internal Audit. Key Contact responsibilities include:
  - co-ordinating and monitoring the overall exercise.
  - ensuring that the specifications for data sets are adhered to.
  - ensuring data sets are uploaded accurately and timeously.
  - ensuring that key individuals required to assist with the investigation of matches are identified and adequately trained.
  - ensuring outcomes of the investigation of matches are recorded on the NFI Website promptly and accurately.

## 5. NFI 2022/23 UPDATE

- 5.1. The 2022/23 NFI exercise is now complete. A total of 2782 matches have been investigated with errors identified in 183 of them. These errors have resulted in overpayments of £91,282, which have either been recovered or a formal recovery arrangement is in place. There were no frauds reported in this exercise.
- 5.2. The NFI also records estimated figures (notional savings) where it is reasonable to assume that incidents of fraud, overpayments and errors would have continued undetected without NFI data matching. For the 2022/23 NFI exercise, a total estimated notional savings figure of £565,476, has been calculated. This estimated figure combined with actual overpayments gives a total value of £656,758. (See Appendix 1).
- 5.3. A supplementary mandatory data matching exercise was also undertaken in December 2022 to match the Electoral Roll against those households where Council Tax Single Person Discount was being claimed. Work on these matches was carried out by the Customer Services & Benefit Delivery team. They processed 1366 matches and cancelled Council Tax Single Persons Discount on 551 cases. The value of discount awarded incorrectly was £263,400 of which recovery is in progress for £250,307 from 549 cases.

## 6. NFI 2024/25 UPDATE

- 6.1. The next National Fraud Initiative Exercise will take place this year. The Council has received instructions from the Cabinet Office, via the NFI Team, surrounding how it should prepare for the 2024/25 NFI Exercise and steps have already been taken to plan for the extraction of required data sets.
- 6.2. Following an internal quality control process, the data sets will be uploaded to the NFI Website in line with the Instructions for Participants and Cabinet Office timetable, commencing October 2024. It is anticipated by the Cabinet Office that the data matches will be made available to the Council for investigation by the end of 2024.
- 6.3. Training on how to deal with the data matches along with responsibilities, investigation procedures and how to record outcomes on the NFI Website will be delivered in December 2024, by the CFT Supervisor, to all participating staff from the services detailed in Table 1 below.

**Table 1 - Services where Participating Staff will be trained**

Strategic Service / Client	Service Area
Corporate Services	<ul style="list-style-type: none"> <li>• Corporate Fraud</li> <li>• Corporate Procurement</li> <li>• Council Tax</li> <li>• Pensions</li> <li>• People Service including Business Support</li> <li>• Payroll</li> <li>• Welfare Rights</li> <li>• Non-Domestic Rates</li> </ul>
Neighbourhood Services	<ul style="list-style-type: none"> <li>• Housing &amp; Communities</li> </ul>
Dundee Health and Social Care Partnership	<ul style="list-style-type: none"> <li>• Finance Admin</li> <li>• Blue Badge Admin</li> </ul>

- 6.4. The NFI Team at the UK Cabinet Office have issued instructions, a timetable and the data sets required to be uploaded for the forthcoming national mandatory exercise. The required data that must be uploaded is detailed below:



Table 2 - Mandatory Data Required

Service Area	Data Required
Corporate Services	<ul style="list-style-type: none"> <li>• Council Tax Annual data submission</li> <li>• Council Tax reduction scheme</li> <li>• Electoral Register Annual data submission</li> <li>• Payroll</li> <li>• Pensions</li> <li>• Taxi driver licences</li> <li>• Trade creditors' - payment history</li> <li>• Trade creditors' - standing creditors</li> </ul>
Neighbourhood Services	<ul style="list-style-type: none"> <li>• Housing tenants</li> <li>• Housing waiting list</li> <li>• Right to buy (Housing)</li> </ul>
Dundee Health and Social Care Partnership	<ul style="list-style-type: none"> <li>• Blue Badges</li> </ul>
Chief Executive Services	<ul style="list-style-type: none"> <li>• Concessionary travel permits (NEC Data)</li> </ul>
City Development	<ul style="list-style-type: none"> <li>• Resident parking permits</li> </ul>

6.5. The outcomes arising from the 2024/25 NFI Exercise will be reported to the Scrutiny Committee in due course.

## 7. AUDIT SCOTLAND NFI REPORT AND SELF APPRAISAL

7.1. Audit Scotland have published their National Fraud Initiative in Scotland 2024 Report. This is included at Appendix 2. The key messages from the report are as follows:

- NFI savings and outcomes have increased from £14.9 million in 2020/21 to £21.5 million in 2022/23, with increases across most data match areas.
- However, savings from council tax single person discounts are slightly reduced and additional outcomes in some areas are attributable to changes in estimation methodologies. Overall, it is not clear whether underlying levels of fraud have increased since 2020/21.
- NFI governance and follow-up arrangements remained sound for most participating bodies over the period covered by the 2022/23 exercise.
- However, when compared to previous exercises, fewer bodies have been assessed by their auditors as having fully satisfactory arrangements, and there remains scope for some bodies to follow up on data matches more effectively.

7.2. Audit Scotland have also published the latest NFI Self-Appraisal Checklist. It is recommended that Audit Committees, or equivalent, and staff leading the NFI should review and complete the NFI Self-Appraisal Checklist to ensure that they are fully informed of their organisation's NFI arrangements including planning and reviewing progress with the NFI exercise.

7.3. Part A of the Self-Appraisal Checklist is for review by Audit Committee Members and has been completed by Council Officers to give assurance over the effectiveness of the Council's participation in the NFI. There are no actions that are required to be completed following the completion of the Self-Appraisal checklist. The checklist is included at Appendix 3.

## 8. POLICY IMPLICATIONS

This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

**9. CONSULTATIONS**

The Council Leadership Team have been consulted in the preparation of this report.

**10. BACKGROUND PAPERS**

None.

**ROBERT EMMOTT**  
**EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

3 SEPTEMBER 2024

**NFI ERRORS AND RESULTS FOR 2022/23 EXERCISES****TABLE 1 - 2022/23 NFI DATA MATCH - OUTCOMES (Exercise Completed)**

<b>REPORT CONTENT</b>	<b>NO. OF ERRORS</b>	<b>ACTUAL £</b>	<b>NOTIONAL £</b>	<b>TOTAL VALUE £</b>
Deceased Pension Investigations	9	18,151	461,032	479,183
Blue Badges	148	-	96,200	96,200
Council Tax Reduction Scheme	15	10,602	8,243	18,845
Creditors	4	62,528	-	62,528
<b>TOTAL</b>	<b>176</b>	<b>91,281</b>	<b>565,475</b>	<b>656,756</b>

**TABLE 2 - 2022/23 NFI DATA MATCH COUNCIL TAX SINGLE PERSON DISCOUNT TO ELECTORAL ROLL (Exercise Completed)**

<b>REPORT CONTENT</b>	<b>No. of cases where SPD Cancelled</b>	<b>No. of cases where recovery is in progress</b>	<b>Value of Overpayments where recovery is in progress (full or partial) £</b>	<b>Total discount incorrectly awarded/claimed £</b>
Council Tax Single Person Discount (SPD)	443	441	227,131	240,224
Council Tax to Electoral Roll (rising 18's)	108	108	23,176	23,176
<b>TOTAL</b>	<b>551</b>	<b>549</b>	<b>250,307</b>	<b>263,400</b>

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# The National Fraud Initiative in Scotland 2024



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## Accessibility

You can find out more and read this report using assistive technology on our website [www.audit.scot/accessibility](http://www.audit.scot/accessibility).

## Audit team

The core audit team consisted of:  
Tim Bridle, under the direction of Cornilius Chikwama.

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# Key messages

- 1** Fraud against the public sector costs the taxpayer money and can undermine both confidence in government and the delivery of public services. The proactive detection and prevention of fraud using the National Fraud Initiative (NFI) remains vitally important to public sector financial management as public bodies continue to recover from Covid-19 and to deal with the impact of the cost-of-living crisis.
  - 2** NFI savings and outcomes have increased from £14.9 million in 2020/21 to £21.5 million in 2022/23, with increases across most data match areas. However, savings from council tax single person discounts are slightly reduced and additional outcomes in some areas are attributable to changes in estimation methodologies. Overall, it is not clear whether underlying levels of fraud have increased since 2020/21.
  - 3** NFI governance and follow-up arrangements remained sound for most participating bodies over the period covered by the 2022/23 exercise. However, when compared to previous exercises, fewer bodies have been assessed by their auditors as having fully satisfactory arrangements, and there remains scope for some bodies to follow up on data matches more effectively.
-

# Recommendations

## Participating bodies should:

- Ensure that an appropriate level of resource is available to deliver NFI follow-up activities in an efficient and effective manner, in line with local priorities.
- Use the NFI Self-Appraisal Checklist as part of planning for the 2024/25 exercise.
- Put in place arrangements for monitoring follow-up activity, and where it is necessary seek to understand reasons for low or nil outcomes.

# 1. Introduction

The proactive detection and prevention of fraud using the National Fraud Initiative (NFI) remains vitally important to public sector financial management as public bodies continue to recover from the Covid-19 pandemic and to deal with the impact of the cost-of-living crisis.

**1.** Fraud against the public sector costs the taxpayer and can undermine both confidence in government and the delivery of public services. The National Fraud Initiative (NFI) is a proactive data matching exercise designed to identify and prevent fraud. It remains vitally important during a time of ongoing financial pressure as public bodies continue to recover from the Covid-19 pandemic and to deal with the impact of the cost-of-living crisis.

**2.** The Public Sector Fraud Authority (PSFA) oversees the NFI across the UK, and Audit Scotland leads the exercise in Scotland, working with a range of Scottish public bodies and their external auditors. The NFI takes place every two years, and this report considers the outcomes from the 2022/23 exercise.

## Statutory basis for NFI

**3.** We carry out the NFI under powers introduced by the Criminal Justice and Licensing (Scotland) Act 2010 and incorporated in [Part 2A of the Public Finance and Accountability \(Scotland\) Act 2000](#). It is important for all parties involved that this exercise is properly controlled, and that data is handled in accordance with the law. The Audit Scotland [Code of Data Matching Practice](#) includes a summary of the key legislation and controls governing the NFI data matching exercise.

## Participating bodies

**4.** In 2022/23, 110 public sector bodies in Scotland participated in the NFI, submitting data and following up on matches. The Scottish Government also submitted data for another 17 central government bodies who share their systems for payroll and/or creditors. Many councils also submit payroll data for their Arm's-Length External Organisations (ALEOs). Across the UK there are over 1,100 participating bodies and data matching takes place across them all.

## Main data match areas in 2022/23

5. The main data match areas for the 2022/23 NFI exercise were:

- Payroll
- Creditor payments
- Council Tax (Single Person Discounts and Reduction Scheme reliefs)
- Pensions
- Housing Benefit
- Housing Tenancy and waiting lists
- Blue Badges (disabled parking)
- Adult concessionary bus travel (new in 2022/23 exercise).

6. The 2022/23 NFI exercise matched new data from His Majesty's Revenue and Customs (HMRC) using powers under the Digital Economy Act (2017).

7. Non-Domestic Rates Small Business Bonus Scheme (NDR SBBS) matching was postponed for the 2022/23 exercise due to the national NDR revaluation exercise in 2023. Results will be reported as part of the 2024/25 exercise.

## Basis for reported outcomes

8. All monetary outcomes included in this report are on a cash basis, prior year totals have not been adjusted to reflect inflation or changes in estimation methodologies since amounts were originally reported. Details of estimate methodologies used can be found at [Appendix](#).

## 2. Overall outcomes

Overall outcomes from the NFI have increased from £14.9 million in 2020/21 to £21.5 million in 2022/23.

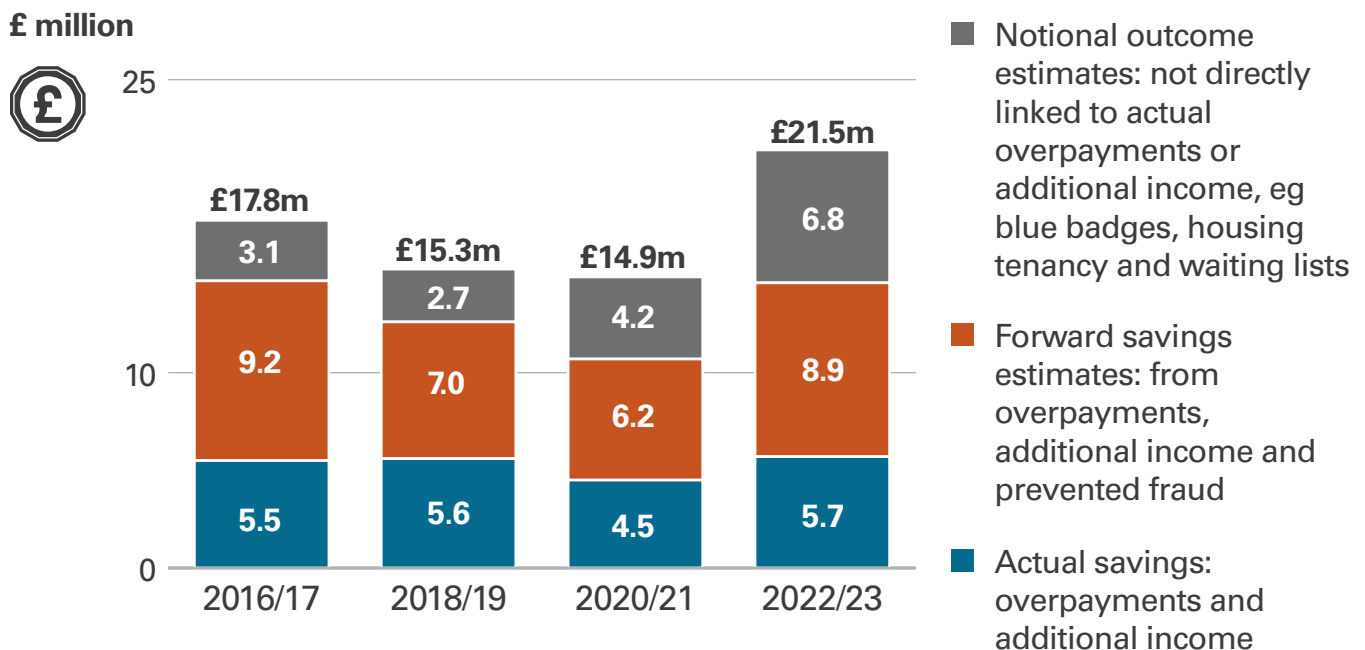
### Overall outcomes by type

9. The value of outcomes from the NFI, recorded since our last report, total £21.5 million (up from the £14.9 million in 2022). The cumulative value of outcomes from the NFI in Scotland since participation started in 2006/07 now stands at around £180 million. [Exhibit 1](#) shows NFI outcomes by type for 2022/23 and the previous three exercises.

### Exhibit 1.

#### NFI outcomes by exercise and type, 2016/17 to 2022/23

Reported outcomes have increased to £21.5 million in 2022/23.



Source: Audit Scotland analysis of NFI outcomes

10. Increased outcomes reported in 2022/23 partly reflect improvement in recording of results as bodies continue to recover from Covid-19. There have also been changes to estimation methodologies which contribute to higher outcomes in some areas (details of methodologies can be found in the [Appendix](#)). It is not possible to extrapolate from these figures that underlying levels of fraud have increased.

## Outcomes by data match area

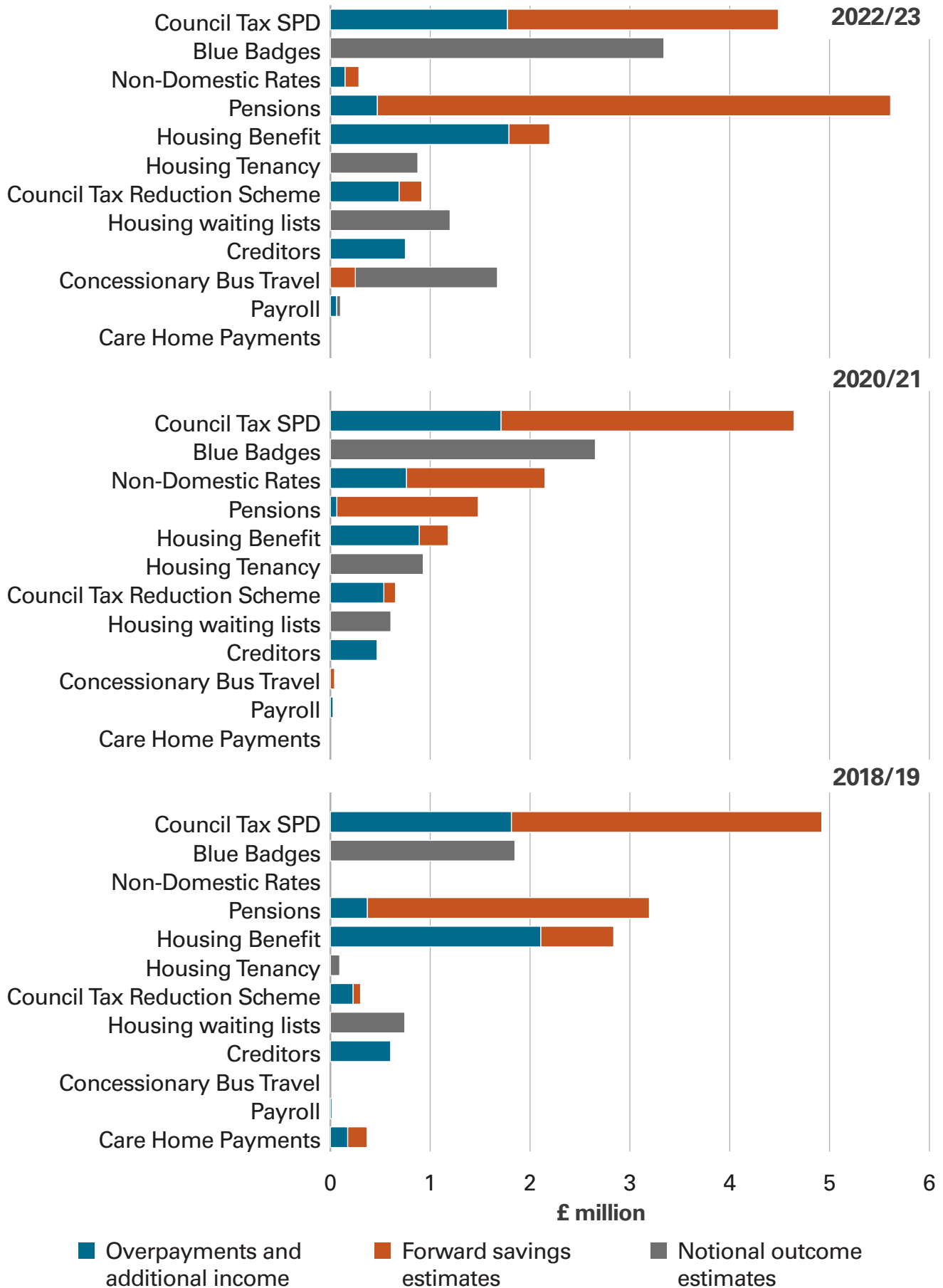
**11.** Most monetary outcomes from the NFI accrue to councils, the Scottish Public Pensions Agency and the Department for Work and Pensions (DWP) in the form of savings arising from council tax, pensions and housing benefits matches.

**12.** Many participating bodies only submit payroll and creditors datasets for matching, and this limits the monetary outcomes available to them. However, overpayments associated with duplicate creditor payments and payroll matches are not insignificant. NFI outcomes analysed by main data match area, are shown for the last three exercises in [Exhibit 2 \(page 9\)](#).

## Exhibit 2.

### NFI outcomes by area and exercise

Most savings arise from Council Tax, Pensions and Housing Benefits matches.



Notes:

1. Non-Domestic Rates Small Business Bonus Scheme data was first submitted for the 2020/21 exercise but did not form part of the 2022/23 exercise due to the revaluation exercise taking place in 2023.
2. Care home payments have not been matched since 2018/19 due to legislative constraints.
3. Adult concessionary bus travel was a pilot exercise in 2020/21 and has been mainstreamed in 2022/23.

Source: Audit Scotland analysis of NFI outcomes

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## Wider benefits of NFI

**13.** The NFI also delivers benefits which are more difficult to quantify. These include its fraud deterrent effect and the financial governance assurance it provides to bodies where no issues are identified ([Exhibit 3](#)).

### Exhibit 3. Non-monetary benefits of NFI



Acts as a deterrent to potential fraudsters



Can provide assurance that systems are operating well



Can identify where system improvements are required

Source: Audit Scotland

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## 3. NFI delivery

NFI governance and follow-up arrangements remain sound for most participating bodies. However, when compared to previous exercises, appointed auditors assessed fewer bodies as having fully satisfactory arrangements.

### Auditor assessments

**14.** NFI governance and follow-up arrangements remain sound for most of the 110 bodies in Scotland that participated in the 2022/23 exercise. However, several bodies have struggled with delivery and there remains some scope for improvement.

**15.** We asked auditors to assess participating body NFI arrangements, and rate them as Green (satisfactory), Amber (mostly adequate) or Red (unsatisfactory). Auditor returns for 2022/23 included an increased number of amber and red ratings [Exhibit 4 \(page 12\)](#).

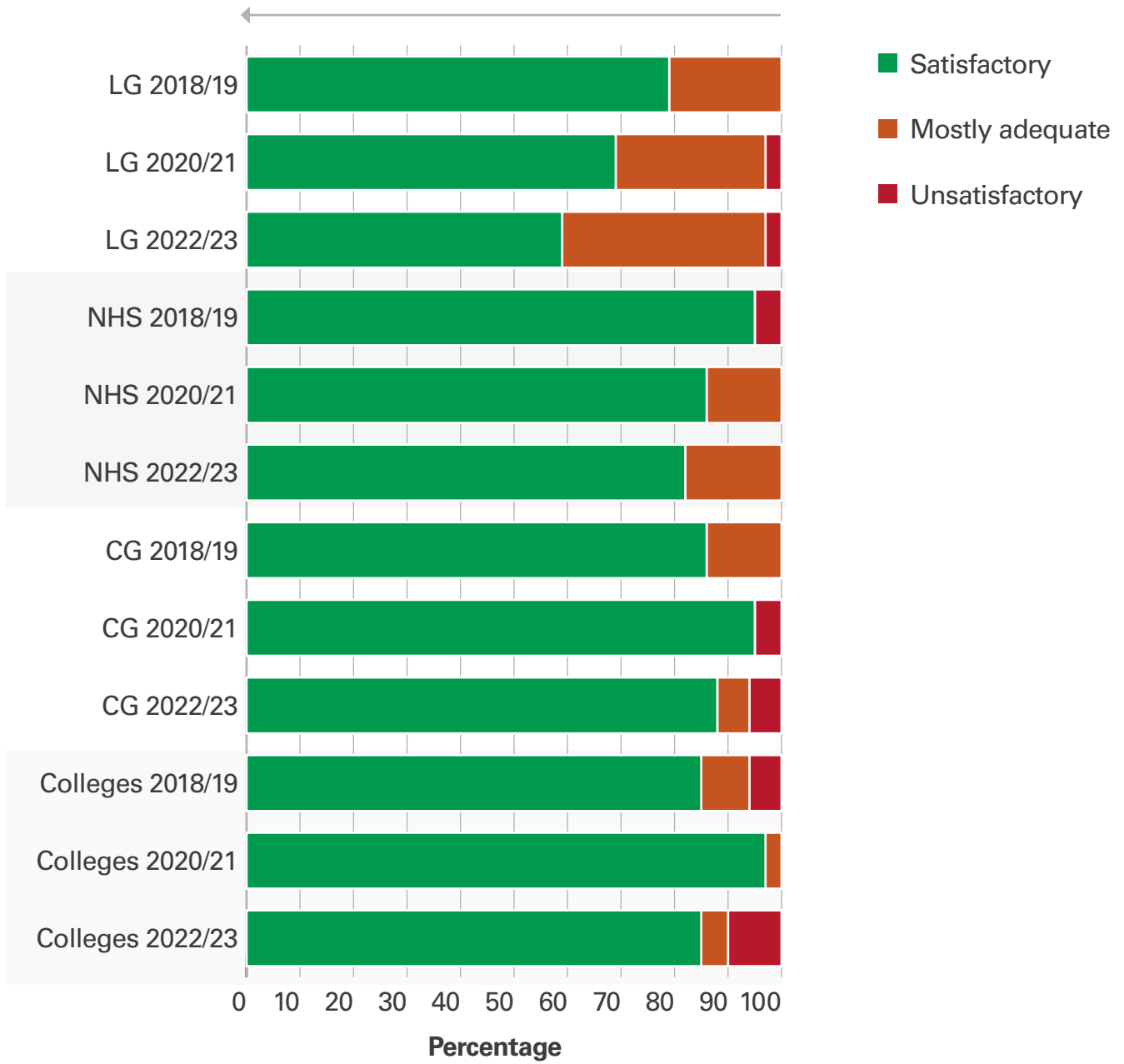
**16.** In most cases amber or red assessments reflect deficiencies with follow-up activity. Participating bodies routinely cited the lack of adequate resources as the main reason for delay or lack of progress with follow-up activity.

**17.** Our NFI Self-Appraisal Checklist includes requirements for participating bodies to consider Leadership, Commitment and Communication. The checklist also asks NFI key contacts and users to consider potential improvements to the efficiency and effectiveness of follow-up activity. The checklist can be found on our Counter Fraud [webpage](#) and has been updated for the 2024/25 exercise.

## Exhibit 4.

### Auditor assessments of NFI delivery arrangements

More bodies received amber and red assessments in 2022/23.



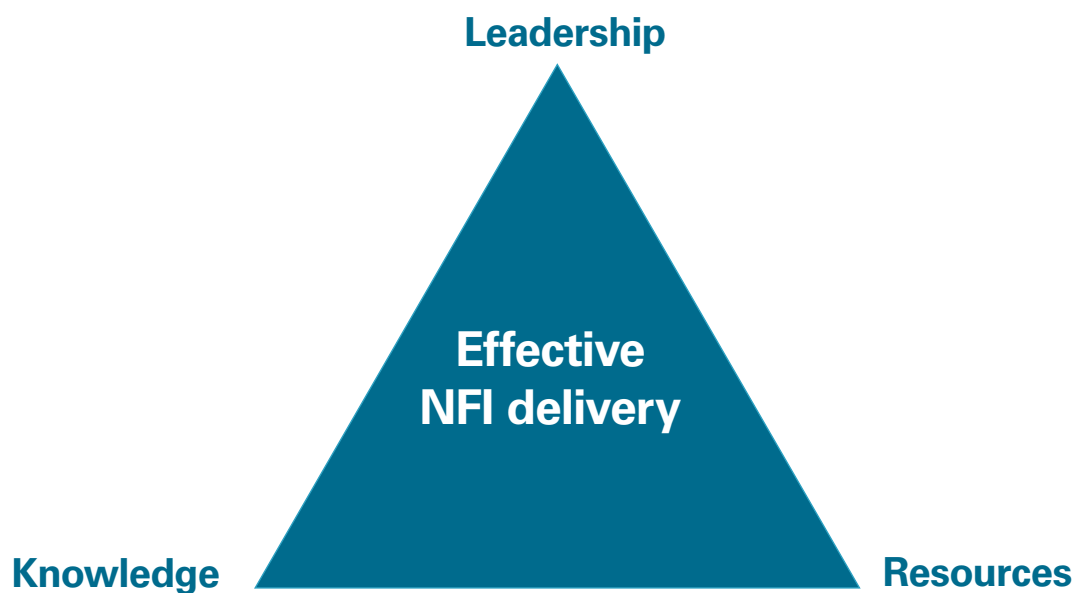
Source: Audit Scotland analysis of Auditor Returns

18. **Exhibit 5** shows the main determinants of successful NFI delivery that participating bodies should be focusing on to strengthen their arrangements.

## Exhibit 5.

### NFI participation – main determinants of success

Successful delivery of NFI requires a clear commitment to a well-thought-out approach that optimises the use of available resources to follow up matches appropriately.



Source: Audit Scotland

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19. Audit Scotland will continue to work with bodies to support effective and efficient delivery of NFI through its ongoing engagement activities.

## 4. Specific match areas

NFI outcomes have increased in most data match areas in 2022/23. However, savings from council tax single person discounts decreased slightly, and increases in some areas are partly due to changes in estimation methodologies.

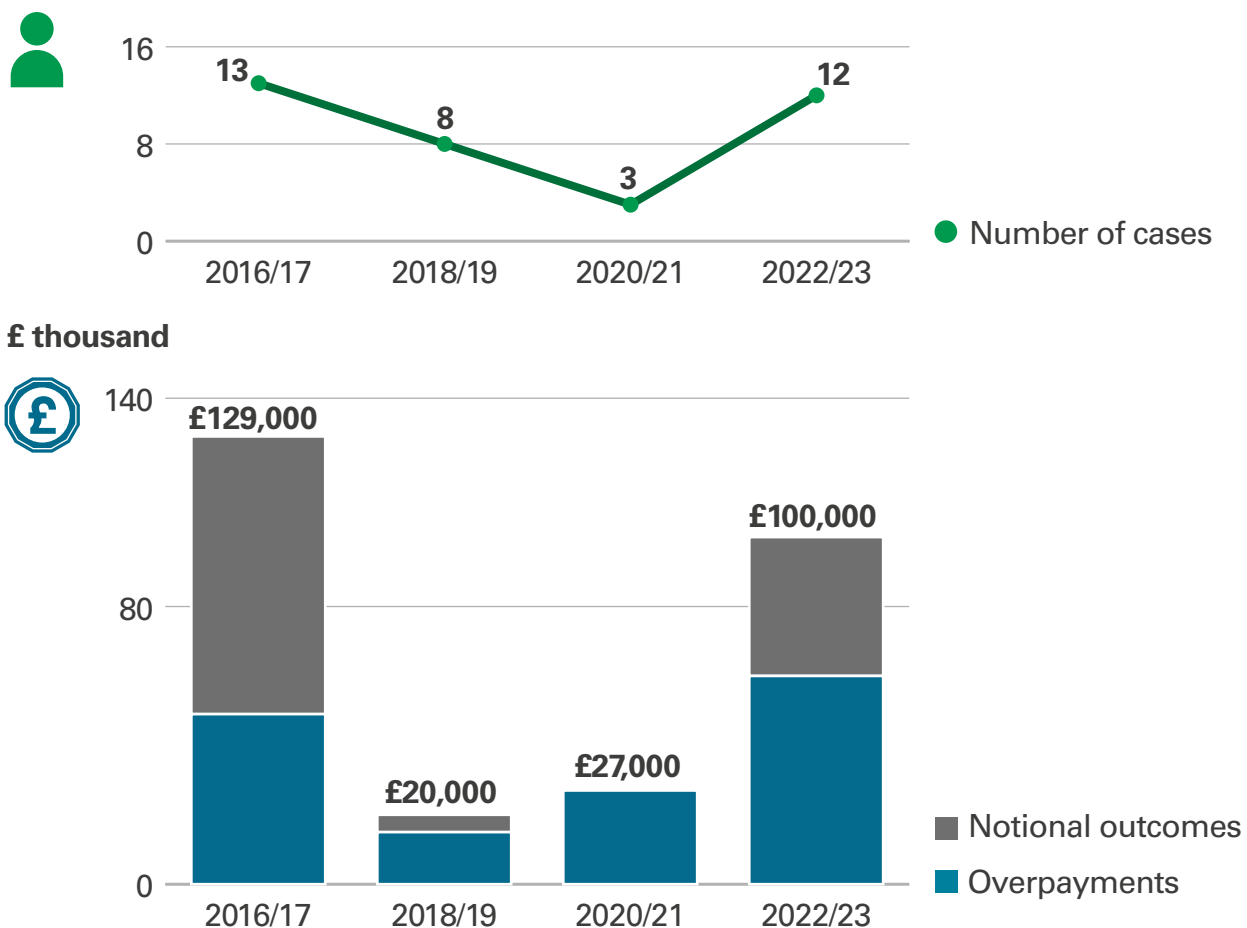
### Payroll

**20.** The number of payroll and multi-contract working frauds identified as a result of the NFI has increased. There were 12 cases identified in 2022/23. This is the highest number since 2016/17, which is the last exercise for which immigration data was matched. Overpayments and case numbers for the 2022/23 exercise are shown alongside those for the three previous exercises at [Exhibit 6](#).

### Exhibit 6.

#### Payroll outcomes and case numbers by NFI exercise

There has been an increase in the level of identified fraud in 2022/23.



Note. Notional outcomes of £5,685 per case are allocated where staff resign or have been dismissed ([Appendix](#)).

Source: NFI management information

## Creditor payments

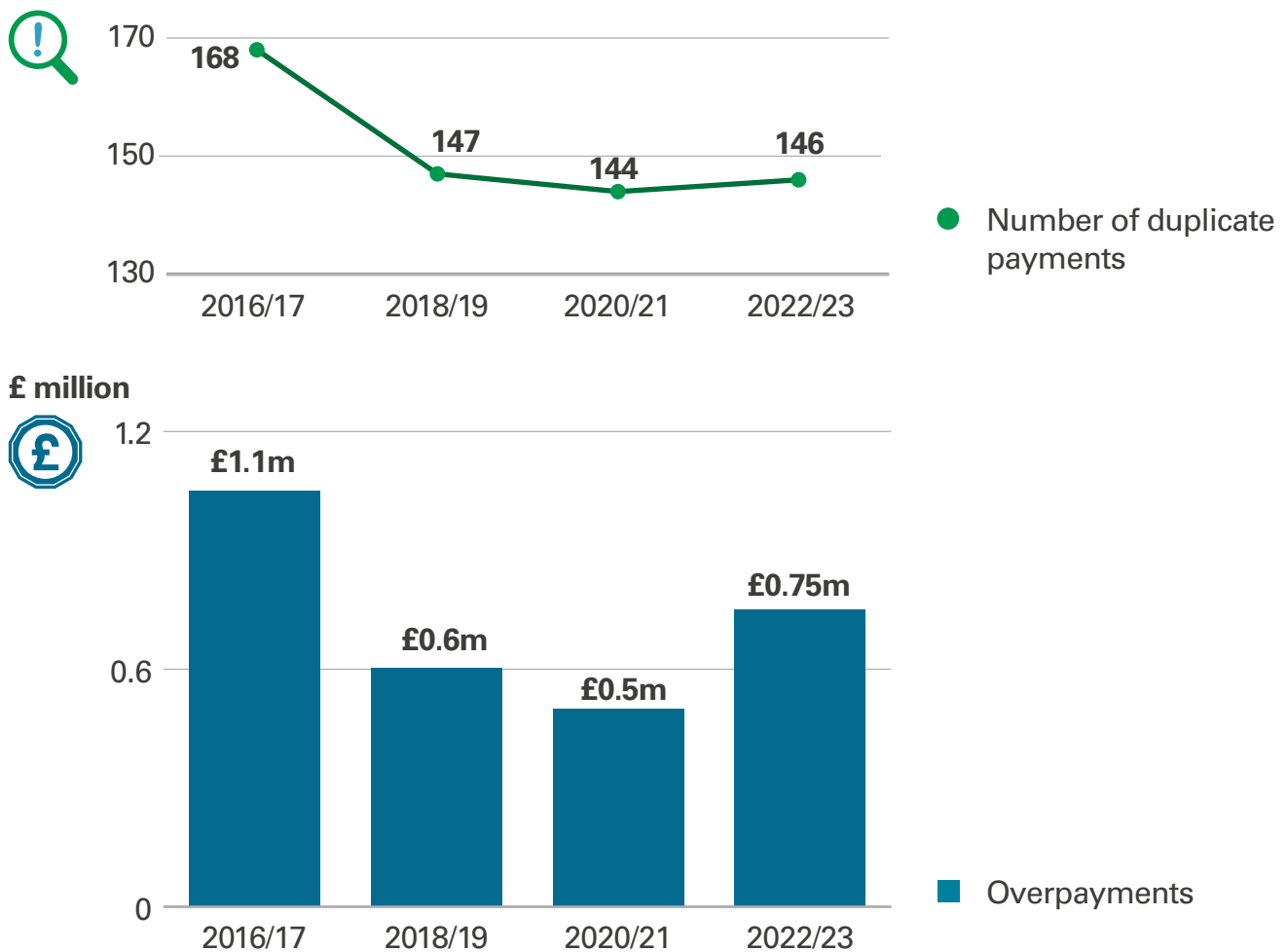
**21.** Participating bodies submit details of payments made to people or organisations supplying them with goods and services. Data is matched by the NFI to identify potential duplicate payments. Bodies identifying duplicate payments often refresh procedures and tighten controls to reduce future risk.

**22.** In 2022/23 outcomes worth £0.75 million were identified from 146 duplicate payments across 31 bodies. This is broadly in line with previous exercises as shown in [Exhibit 7](#).

### Exhibit 7.

#### Duplicate creditor payment savings and case numbers by NFI exercise

£0.75 million of recoverable duplicate creditor payments was identified in 2022/23.



Source: NFI management information

## Adult Concessionary Bus Travel

**23.** Following a successful pilot exercise in 2020/21, adult concessionary bus travel mortality screening was rolled out to councils in 2023. The National Entitlement Card Project Office, working in partnership with councils, submitted details of all live travel passes for matching.

**24.** The NFI identified 99,600 travel passes that belonged to holders who had died. Transport Scotland was able to check usage of these passes and identified that 1,075 had been used after the date of death.

**25.** The full fare value of fraudulent bus trips associated with these passes amounted to £0.31 million, with a cost to Transport Scotland of around £0.18 million, based on the applicable reimbursement rates to bus companies.

**26.** The cancellation of these passes will prevent future fraudulent use with an estimated value of £0.45 million (based on £420 per travel pass used fraudulently, see [Appendix \(page 26\)](#)). The resultant saving to Transport Scotland is estimated at around £0.25 million based on current reimbursement rates.<sup>1</sup>

## Council Tax Single Person Discounts

**27.** People living on their own, or in some cases with adults who can be 'disregarded', are eligible for a 25 per cent single person discount (SPD) on their annual council tax bill. The NFI matches SPD recipients to the electoral register and to other datasets to identify where other adult residents have not been declared on applications, have subsequently turned 18 or have moved in.

**28.** Councils withdrew £1.8 million worth of SPDs because of the NFI. The additional income, based on a forward projection of annual savings for two years, in line with the Cabinet Office methodology, equates to an additional £2.7 million. These amounts are shown together and alongside savings for the previous three exercises in [Exhibit 8 \(page 17\)](#).

**29.** Only 19 councils recorded NFI activity in relation to SPDs, as more councils are now making use of third party providers for data matching and follow-up. Seven councils using third-party providers now record no NFI outcomes (an increase of two from the previous exercise).

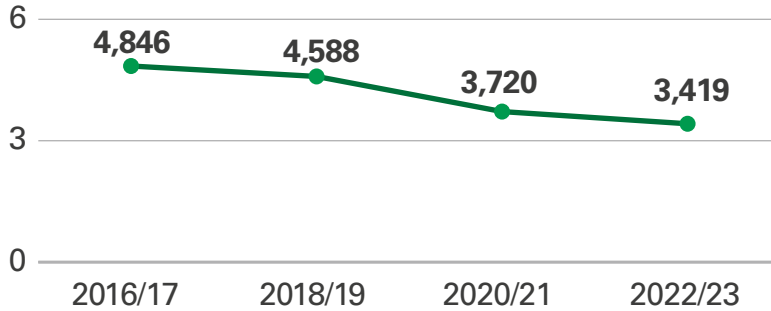
<sup>1</sup> Total outcomes for this area ([Exhibit 2](#)) includes a notional amount of £0.91 million relating to the pilot exercise in 2020/21 (based on the Cabinet Office methodology at the time which applied £550 to each travel pass cancelled).

## Exhibit 8.

### Council Tax SPD savings and case numbers by NFI exercise

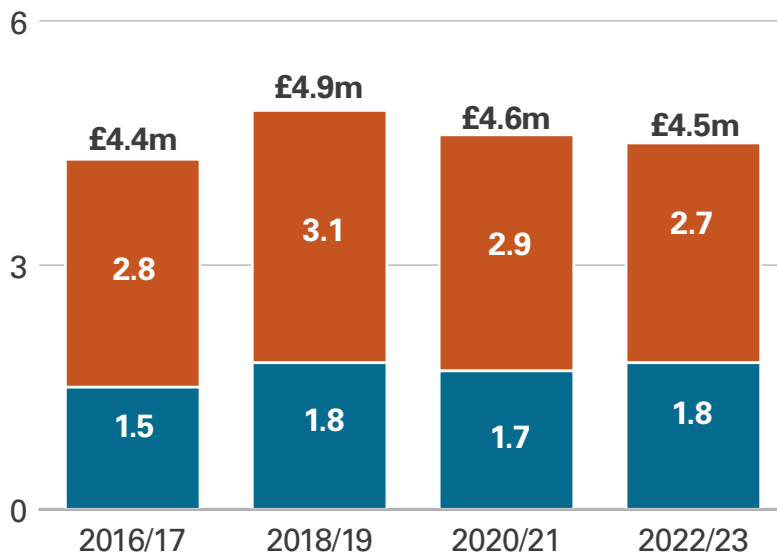
Case numbers and savings from single person discounts decreased in 2022/23.

Thousand



● Case numbers

£ million



■ Forward savings estimate

■ Discounts removed

Source: NFI management information

## Council Tax Reduction Scheme (CTRS)

**30.** Council tax reduction is available to low-income households in Scotland. The NFI matches CTRS data to other datasets, such as payroll and pensions, for example, to identify undeclared income.

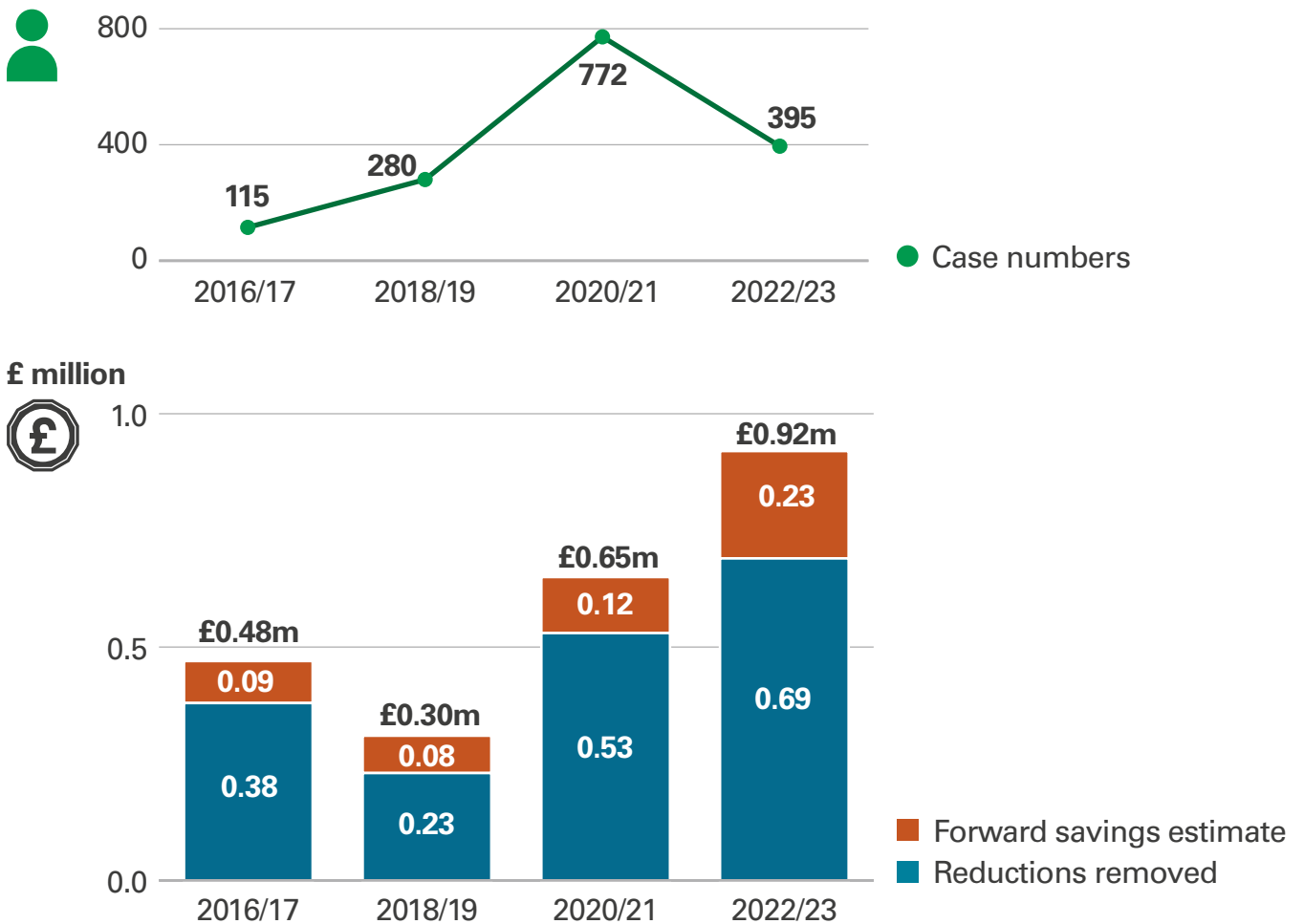
**31.** In 2022/23, additional council tax income of £0.92 million was identified because of follow-up on NFI matches (up from £0.65 million in 2020/21). Savings and case numbers are shown alongside those from the previous three NFI exercises in [Exhibit 9 \(page 18\)](#).

**32.** Actual additional income from the removal of council tax reductions has increased, as have forward savings estimates. The forward savings estimate methodology has, however, changed with savings now based on 33 weeks, compared to the 21 weeks previously used.

## Exhibit 9.

### Council Tax Reduction Scheme savings and case numbers by NFI exercise

Total potential savings from CTRS have increased to £0.92 million in 2022/23.



Source: NFI management information

**33.** Only 18 councils identified savings from CTRS, with most savings arising from matches to pensions (around 40 per cent) and payroll (around 30 per cent), where income had not been declared.



## Housing Benefits

**34.** Housing benefits (HB) help people on low incomes pay their rent. HBs in payment continues to decrease as more benefit recipients move on to universal credit.

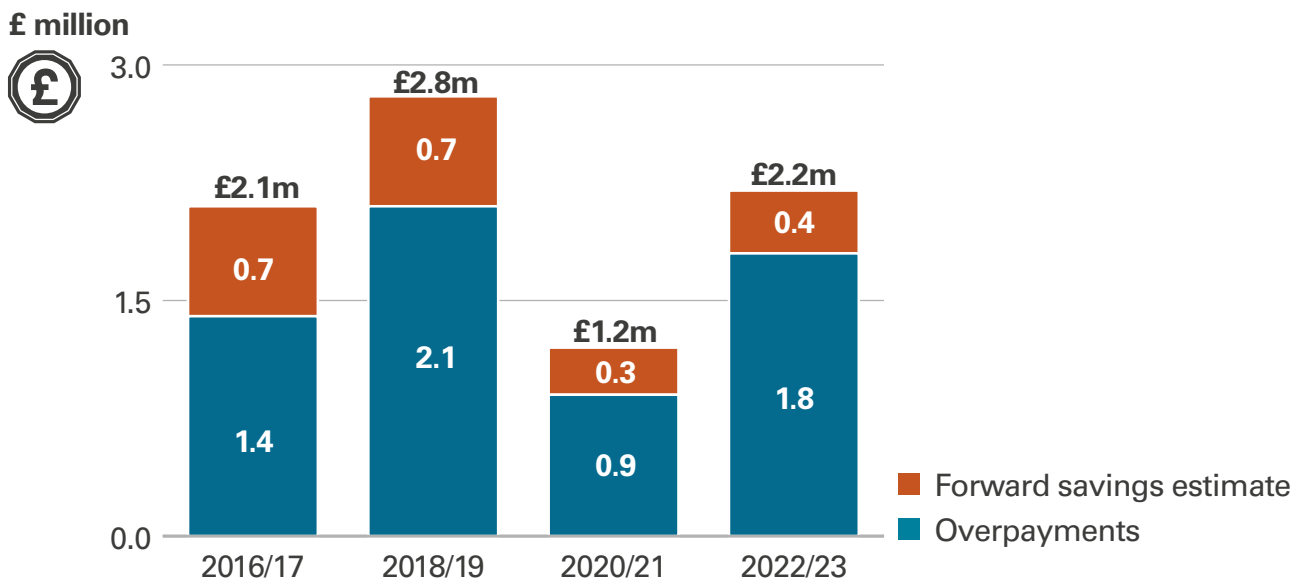
**35.** The DWP's Verify Earnings and Pensions alerts service has also impacted HB savings from NFI as alerts are sent directly to councils for investigation, allowing them to follow up outside the NFI process. We no longer match HB to payroll and pension as part of the NFI.

**36.** There has, however, been an increase in reported savings in 2022/23 due to the inclusion of late DWP savings from the 2020/21 exercise which was affected by Covid-19. [Exhibit 10](#) shows the HB overpayments and forward savings reported for the current and previous three NFI exercises.

### Exhibit 10.

#### Housing Benefit savings by NFI exercise

2022/23 includes significant late DWP savings from the 2020/21 exercise.



Source: NFI management information

**37.** HB matches involving suspected fraud are referred to the DWP for investigation and resultant savings are not attributed back to councils. In 2022/23 almost £2 million of savings arose from these referrals. £0.2 million of savings was identified locally by 17 councils, largely from the follow-up of matches to student loans.

## Pensions

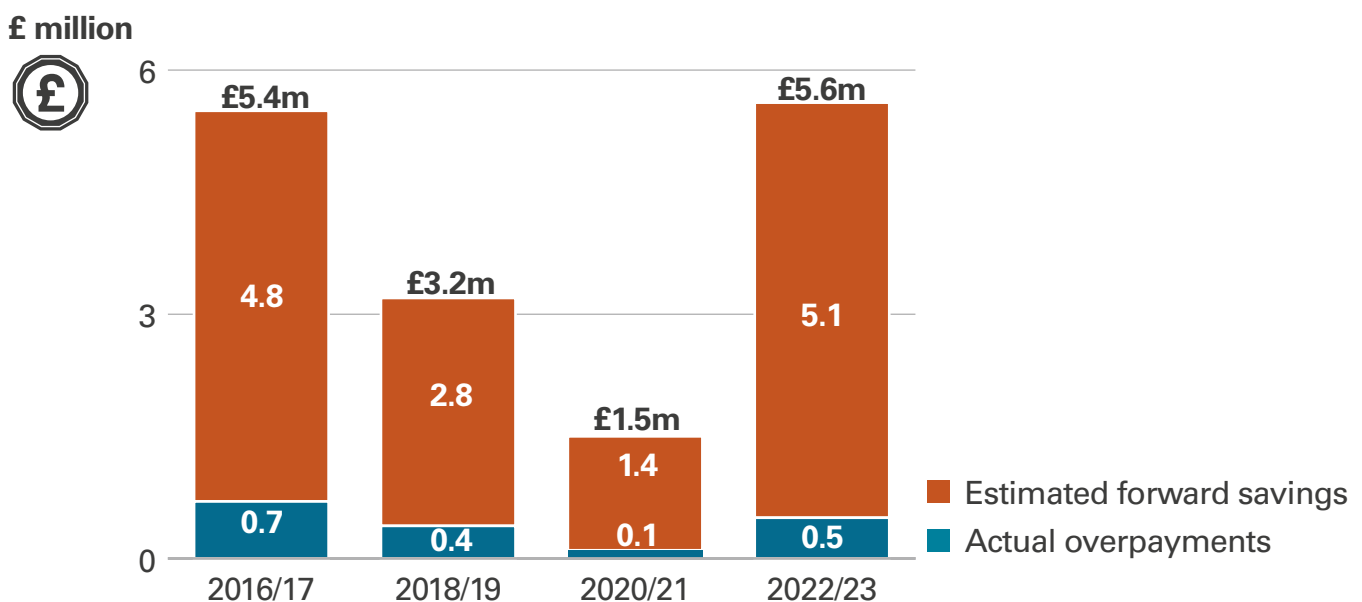
**38.** The NFI is an efficient and effective way for the Scottish Public Pensions Agency (SPPA) and councils that administer pensions to check that they are only paying pensions to people who are alive.

**39.** The follow-up of matches has led to the identification of actual overpayments of £0.5 million as at 31 March 2024, with projected forward savings amounting to a further £5.1 million. These savings are shown along with those reported for previous exercises in [Exhibit 11](#).

### Exhibit 11.

#### Pensions savings by NFI exercise

Follow-up activity and recording of outcomes in 2020/21 was impacted by Covid 19.



Source: NFI management information

**40.** Forward savings are estimated based on a potential payment period from the date overpayments are identified until the date the deceased pensioner would have reached the age of 85 (consistent with actuarial assumptions used to value public sector pension schemes).

**41.** In 2022/23 we have seen improved follow-up of pensions matches. However, not all overpayments identified had been recorded by 31 March 2024. Late savings will be reported as part of the 2024/25 exercise as a result.

## Blue Badges

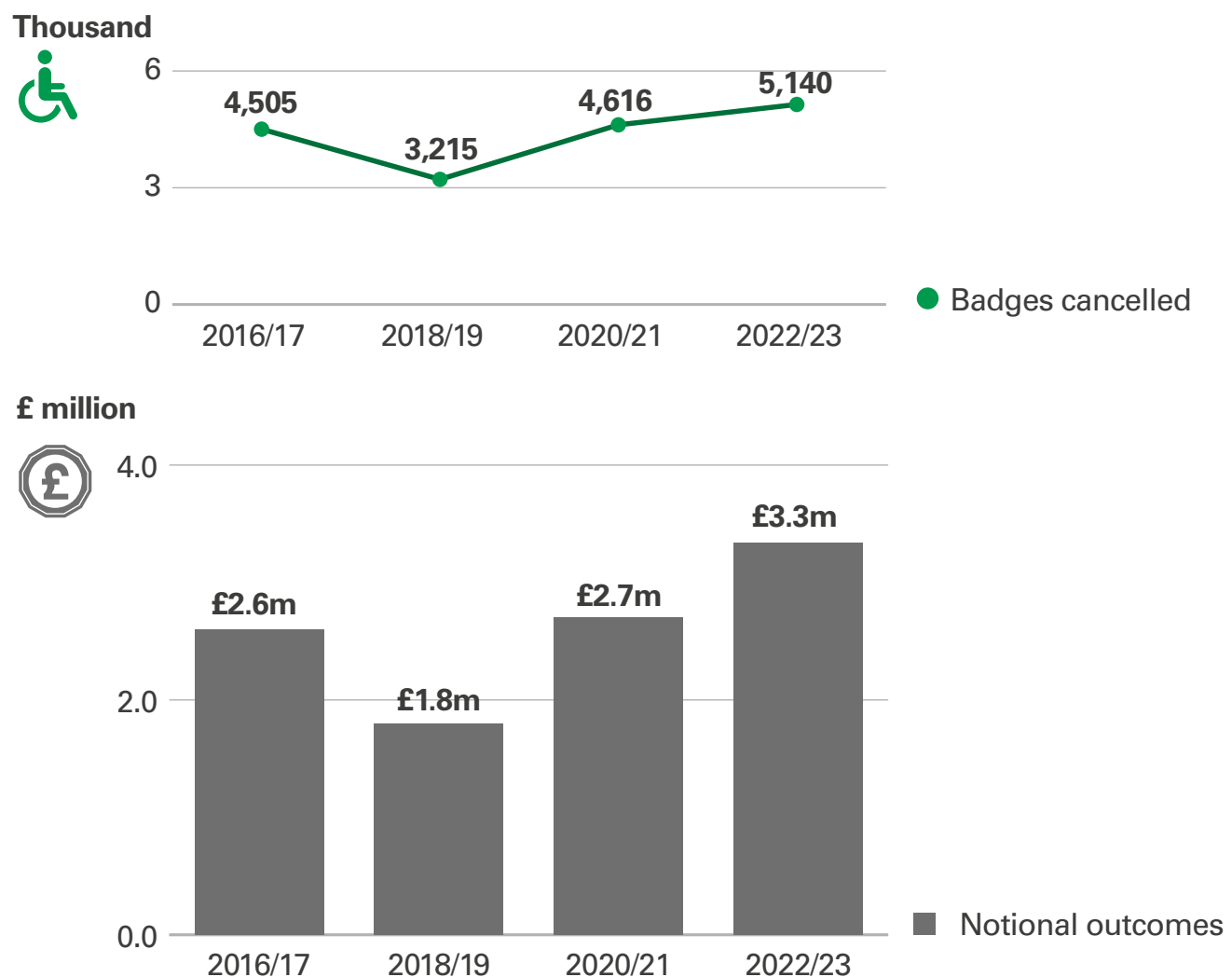
**42.** The Blue Badge scheme allows individuals with mobility problems to park for free at on-street parking meters, in 'pay and display' bays, in designated Blue Badge spaces, and on single or double yellow lines in certain circumstances. Badges are sometimes used by unauthorised persons after the badge holder has died. Not only is this an offence under the Disabled Persons' Parking Badges (Scotland) Act 2014, but it may also result in parking spaces being denied to people who legitimately use the Blue Badge scheme.

**43.** The NFI matches Blue Badges issued to records of deaths, enabling badges to be cancelled. The number of badges cancelled in 2022/23 has gone up to 5,140, as shown at [Exhibit 12](#).

## Exhibit 12.

### Blue Badges outcomes and case numbers by NFI exercise

There have been higher levels of recorded cancellation in 2022/23 than for recent exercises.



Source: NFI management information

**44.** The increased number of cancellations, together with a new estimate multiplier, has resulted in a higher notional outcome value. The Cabinet Office estimation methodology now applies £650 per badge cancelled (compared to £575 per badge in 2020/21).

## Housing Tenancy

**45.** With reported housing shortages and high levels of homelessness, tenancy fraud is increasingly an issue for councils. Where fraudulent subletting exists, it means that properties are not available to house people who are in most need and this can be costly to councils.

**46.** The NFI uses council housing tenancy data to identify possible cases where tenants may have sublet their property. It also helps identify cases where the tenant has died, and the property is either empty or has other individuals living in it.

**47.** As a result of the 2022/23 exercise, councils were able to identify and recover ten properties. A housing association property was also identified and made available for social housing. The numbers of properties recovered along with the notional outcome estimates for the last four exercises are shown at [Exhibit 13 \(page 23\)](#).

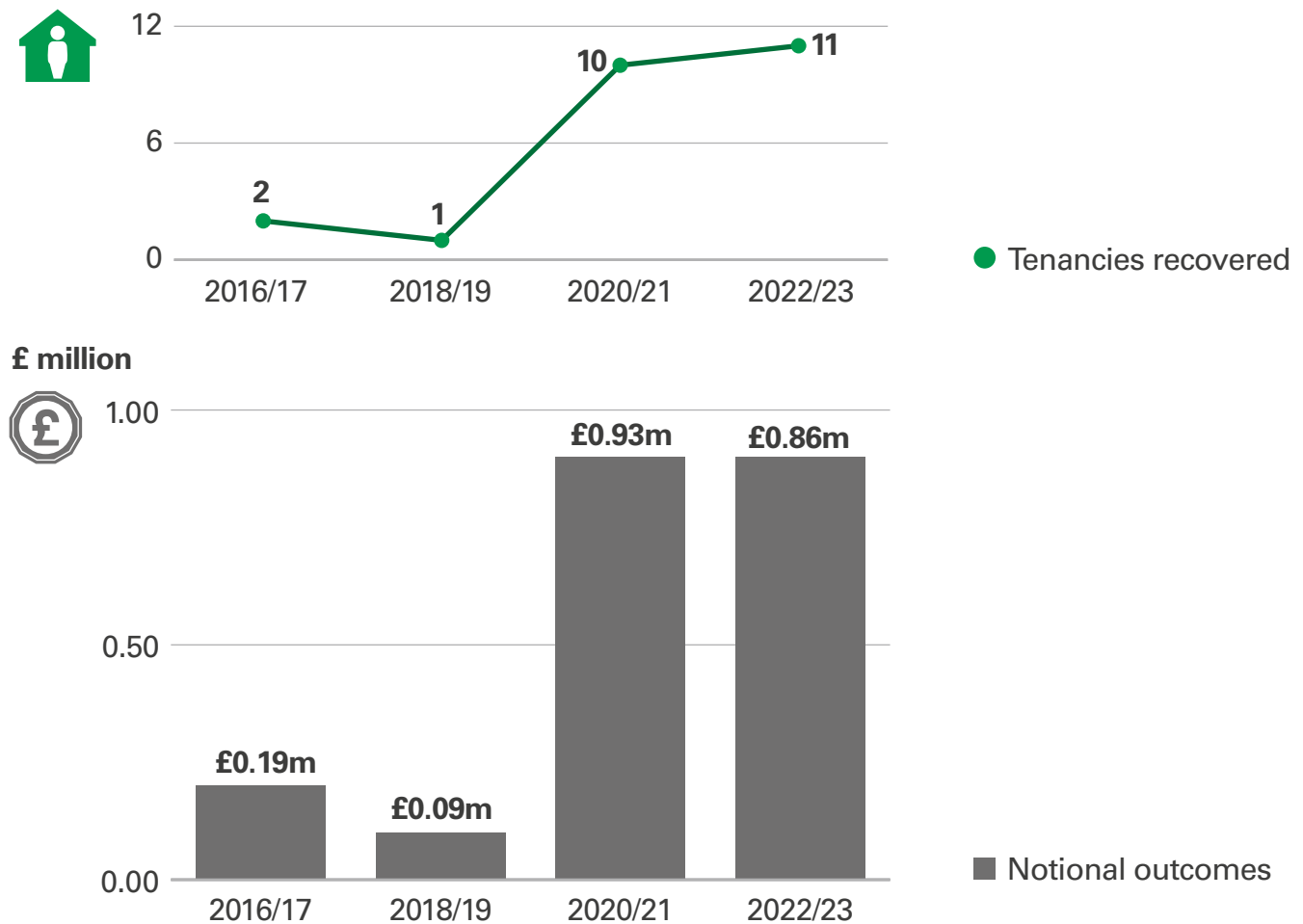
**48.** Notional outcomes of £78,300 are allocated per property recovered (£93,000 in 2020/21). This is based on an average four-year fraudulent tenancy and includes estimated costs of temporary accommodation for genuine applicants; legal costs to recover property; re-let cost; and rent foregone during the void period between tenancies.

**49.** In addition to recovery of properties, NFI has enabled several councils to update tenancy details where there has been legitimate succession following a bereavement.

## Exhibit 13.

### Housing Tenancy outcomes and case numbers by NFI exercise

Tenancies recovered as a result of NFI have remained in double figures in 2022/23.



Source: NFI management information

## Housing Waiting Lists

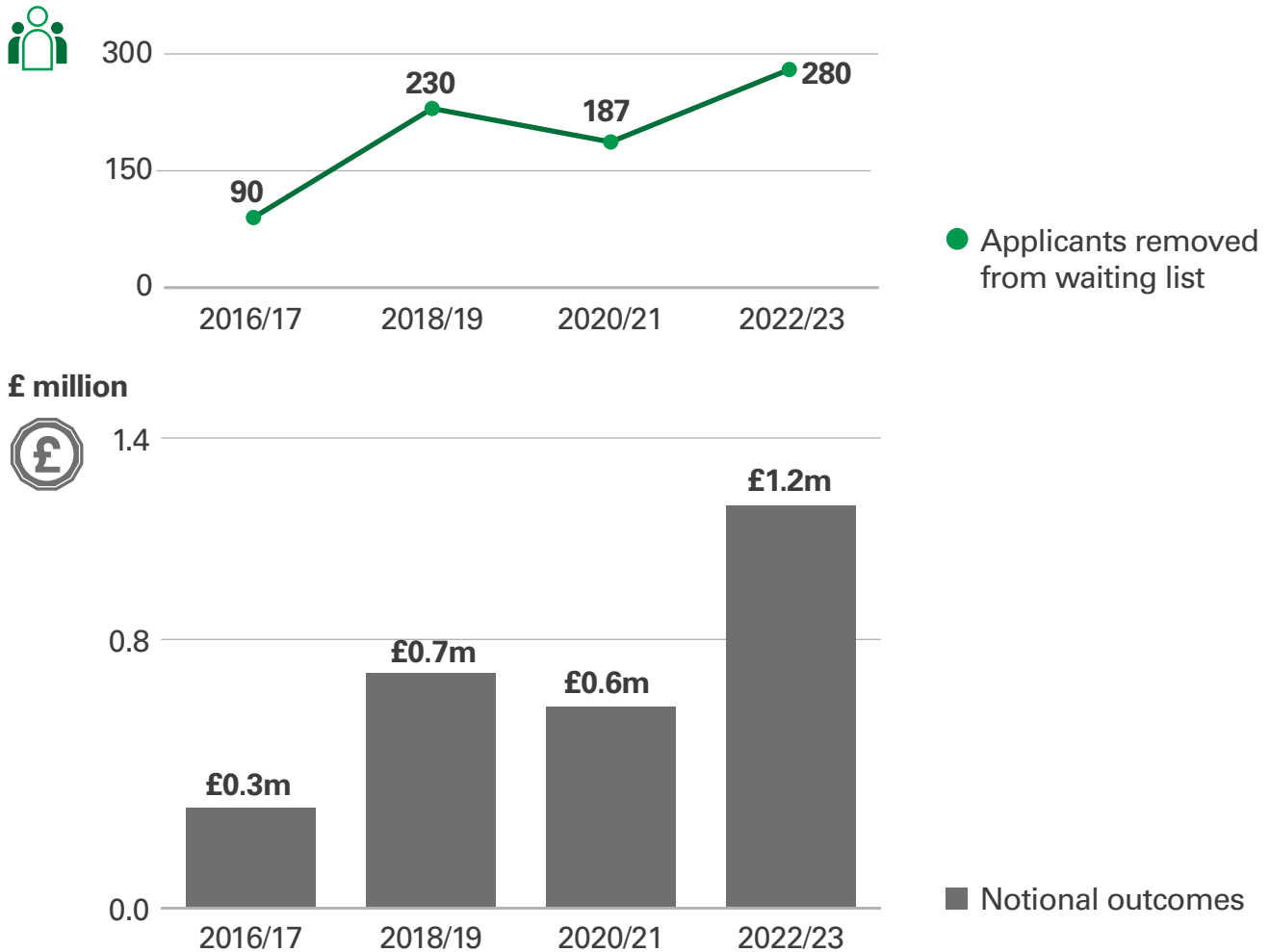
**50.** Councils maintain waiting lists for council housing, and in some cases for all social housing in their area. The NFI matches waiting list data to housing tenancy data and other data sets, enabling undisclosed changes in circumstances to be picked up. This enables removal of ineligible applicants from the waiting list, stops inappropriate allocations, and accelerates allocations to people in genuine need of social housing.

**51.** In 2022/23 we have seen an increase in the number of applicants removed from waiting lists as a result of NFI. Notional outcomes have also increased as shown in [Exhibit 14 \(page 24\)](#).

## Exhibit 14.

### Housing Waiting List outcomes and case numbers by NFI exercise

More applicants have been removed from the waiting list in 2022/23 than in previous exercises.



Source: NFI management information

**52.** Notional outcomes are attributed to applicants removed from the waiting list on the basis that social housing could have been allocated inappropriately. The estimation methodology allocates £4,283 per case removed from the waiting list (an increase from £3,240 per application in 2020/21).

# 5. Pilot exercises and future developments

Social Security Scotland took part in a pilot data-matching exercise which identified limited fraud and error. We are also exploring the possibility of involving wider public sector bodies in the 2024/25 NFI exercise on a voluntary basis.

## Social Security Scotland – benefits pilot 2022

**53.** In 2022 a pilot exercise was undertaken with Social Security Scotland (SSS) to identify any instances where claimants received support but were not residing in Scotland, or where claimants appear to have claimed benefits more than once (eg, from more than one Scottish address). The pilot exercise included payments made in the three-month period from April to June 2021.

**54.** Around 45,000 lines of data relating to benefit payments were submitted for matching, resulting in the identification of 367 claimants who appeared to be residing outwith Scotland. Following review and corroboration of addresses by SSS there were just 17 cases where claimants were not entitled to benefits. Overpaid benefits of £16,450 were identified, a further £20,000 could have been paid out in relation to these claims, over the remaining eligibility periods.

**55.** Despite the identification of fraud and error, the number and value of cases was not deemed sufficient to justify the inclusion of this match type in the main biennial NFI exercise in 2022/23. The intention is to run another pilot in 2024/25 which may also include Adult Disability Payments for the first time.

## Inclusion of bodies on a voluntary basis

**56.** There are potential benefits from expanding the NFI to include more public sector bodies in Scotland. We invited Scottish housing associations and universities to participate in the 2024/25 NFI on a voluntary pilot basis.

**57.** While no universities have volunteered for participation, we are working with several interested housing associations. At this time, it is unclear how many of those interested will actually participate.

# Appendix

## Estimated outcomes methodologies

### **In some cases NFI outcomes include an estimated element for forward savings or for where no monetary value can be recovered**

The NFI uses the term 'outcomes' to refer to the financial value of fraud, error and overpayment that can be attributed to NFI data matching. In some cases NFI outcomes include an estimated element which seeks to capture:

- The value of loss from a fraud or error detected because of an NFI match, in instances where no monetary value can be recovered - such as the value of recovering a property from a tenant who has fraudulently obtained that tenancy. We have called these 'notional outcome estimates' in our report.
- The value of any future losses that may have been incurred without intervention as a result of an NFI match. For example, the value of future overpayments prevented through detecting and stopping a fraudulent or erroneous housing benefit claim. We have called these 'forward savings' in our report.

Most NFI datasets have a methodology to calculate estimated outcomes. These methodologies account for:

- data relevant to the fraud problem, including national published data and data from previous NFI cases
- the policy context relative to the fraud problem
- any regional variances that may result in the generation of estimate methodologies specific to a region or area
- alignment where possible with relevant estimated savings methodologies used in other central government departments.

All methodologies are reviewed prior to the start of each new NFI exercise. Any changes are reviewed by the Cabinet Office NFI Governance Board and approved by the Cabinet Office Fraud Prevention Panel. This panel consists of cross government counter fraud experts (including representatives from DWP, HMRC, NHS, MOD, BEIS, DFID, NAO, etc.) who review and challenge, where necessary, methodologies for calculating the estimated value of fraud prevention initiatives across government departments.



Once approved, these methodologies are built into the NFI web application to enable the estimated outcomes element to be automatically generated.

A summary of the outcomes methodology calculations applied to NFI datasets is set out in the following table:

<b>Data match</b>	<b>Basis of calculation of forward savings and estimated outcomes</b>
<b>Council tax single person discount</b>	Forward savings – Annual value of the discount cancelled multiplied by two years.
<b>Council tax reduction scheme</b>	Forward savings – Weekly change in council tax discount multiplied by 33 weeks (increased from 21 weeks in 2020/21).
<b>Housing benefit</b>	Forward savings – Weekly benefit reduction multiplied by 21 weeks.
<b>Pensions</b>	Forward savings – Annual pension multiplied by the number of years until the pensioner would have reached the age of 85.
<b>Housing Tenancy</b>	Notional outcomes – £78,300 per property recovered, based on average four-year fraudulent tenancy. Includes: temporary accommodation for genuine applicants; legal costs to recover property; re-let cost; and rent foregone during the void period between tenancies (reduced from £93,000 in 2020/21).
<b>Housing waiting lists</b>	Notional outcomes – £4,283 for each case based on the annual estimated cost of housing a family in temporary accommodation, the duration a fraud may continue undetected and the likelihood a waiting list applicant would be provided a property (increased from £3,240 in 2020/21).
<b>Blue Badges</b>	Notional outcomes – Number of badge holders confirmed as having died multiplied by £650 to reflect lost parking and congestion charge revenue (increased from £575 in 2020/21).
<b>Concessionary bus travel</b>	Forward savings – Number of bus passes used fraudulently multiplied by £420. Based on average fraudulent use and reflecting two years forward use.
<b>Payroll</b>	Notional outcomes – £5,685 for each employee dismissed or resigns as a result of NFI matching. (up from £5000 in 2020/21).

# The National Fraud Initiative in Scotland 2024



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## NFI Self-appraisal checklist 2024

For those charged with governance	Yes/No/Partly	Is action required?	Who by and when?
<b>Leadership, commitment and communication</b>			
<p>1. Are we aware of emerging fraud risks and have we taken appropriate preventative and detective action?</p>	<p><b>YES</b></p> <p>The Corporate Fraud Team receive alerts of emerging risks from various agencies, e.g. Police Scotland, National Anti-Fraud Network, Trading Standards Scotland and various cross border Law Enforcement Agencies. The Corporate Fraud Team share these alerts and intelligence with appropriate staff from all Service Areas.</p> <p>The Council's Corporate Fraud Team carry out comprehensive investigations with actions required to address any internal controls to mitigate any identified fraud going forward.</p>	NO	
<p>2. Are we committed to NFI? Has the council/board, audit committee and senior management expressed support for the exercise and has this been communicated to relevant staff?</p>	<p><b>YES</b></p> <p>At the 10 February 2014 Policy and Resources Committee (Article VI, Report No 61-2014) Members received a report on the Future Corporate Strategy for Counter Fraud, including the Corporate Fraud and Corruption Policy and Corporate Fraud Action Plan.</p> <p>The Council's Scrutiny Committee receives an annual NFI Performance Report.</p> <p>NFI updates are communicated regularly along with outcomes and progression to the Acting Senior Manager – Internal Audit and the Chief Internal Auditor and to key</p>	NO	

For those charged with governance	Yes/No/Partly	Is action required?	Who by and when?
	<p>members of staff as and when appropriate.</p> <p>The Internal Audit and Corporate Fraud Service Internet and Intranet pages communicate to users that responsibilities surrounding NFI rest with the Corporate Fraud Team. The NFI Key Contact for the Council is the Corporate Fraud Supervisor.</p> <p>Information re NFI is also available via a link on the Council Internet.</p> <p>At least once a year, all Council payslips (monthly &amp; weekly) and pension notifications, include a message to staff advising them of the Council's data matching exercise.</p>		
<p>3. Is the NFI an integral part of our corporate policies and strategies for preventing and detecting fraud and error? And do we refer to NFI in our Governance codes and statements?</p>	<p><b>YES</b></p> <p>As above, the NFI is an integral part of the Council's Corporate Fraud &amp; Corruption Policy.</p> <p>The Council's participation in the NFI is reflected in the Council's Local Code of Corporate Governance and the Annual Governance Statement.</p>	<p>NO</p>	
<p>4. Does our Key Contact have sufficient authority and time to ensure that NFI is delivered effectively?</p>	<p><b>YES</b></p> <p>Since 2015, the Council's Key Contact is the Corporate Fraud Supervisor. The NFI is a continuous programme of works for the Key Contact with administration, training, reporting, checking of matches / outcomes and regular meetings with Audit</p>	<p>NO</p>	

For those charged with governance	Yes/No/Partly	Is action required?	Who by and when?
	Scotland (NFI administrators for Scotland).		
5. Has the approach to follow-up of different NFI match types been clearly set out and reported as part of the bodies NFI planning process?	<p><b>YES</b></p> <p>The NFI planning process includes the different and new NFI match types. The Council has recently had new matches for Non-Domestic Rate properties (Small Business Bonus Scheme) and HMRC data. The outcomes for these matches will be included in future NFI reports to Scrutiny Committee.</p>	NO	
6. Are NFI progress and outcomes reported regularly to senior management and elected/board members (e.g., the audit committee or equivalent)?	<p><b>YES</b></p> <p>The NFI progress and outcomes are reported to the Scrutiny Committee on an annual basis covering the period 1 April to 31 March.</p> <p>A regular NFI Progress report is prepared by the Corporate Fraud Supervisor for the Acting Senior Manager – Internal Audit and the Chief Internal Auditor.</p>	NO	
7. Where we have not submitted data or used the matches returned to us (e.g., council tax single person discounts), are we satisfied that alternative fraud detection arrangements are in place and that we know how successful they are?	<p><b>N/A</b></p> <p>The Council submits all mandatory data requested.</p>	N/A	

For those charged with governance	Yes/No/Partly	Is action required?	Who by and when?
8. Does Internal Audit, or equivalent, monitor our approach to NFI and our main outcomes, ensuring that any weaknesses are addressed in relevant cases?	<p><b>YES</b></p> <p>The Corporate Fraud Supervisor reports to the Acting Senior Manager – Internal Audit and also updates the Chief Internal Auditor regularly. Regular updates on progress with the NFI exercise are provided to the Acting Senior Manager and this is discussed at regular update meetings.</p> <p>Any identified weaknesses are considered for any further investigative action.</p>	NO	
9. Do we review how frauds errors arose and use this information to improve our internal controls?	<p><b>YES</b></p> <p>The Corporate Fraud Team reports all investigation findings, including actions required to mitigate the fraud re-occurring. These reports are for the Senior Manager – Internal Audit, Service Areas and People Services where necessary.</p> <p>Fraud Awareness training is offered to the Service Area and is delivered as awareness and a deterrent internally. Case studies are used in the training.</p>	NO	
10. Do we need and have access to Fraud Investigation Officers to enable frauds to be followed-up fully?	<p><b>YES</b></p> <p>The Council's Corporate Fraud Team has 1 x Corporate Fraud Supervisor and 3 x Fraud Investigation Officers. All 4 Officers hold professional accreditations in Fraud Investigations and Fraud Management.</p>	NO	

For those charged with governance	Yes/No/Partly	Is action required?	Who by and when?
11. Do we publish, as a deterrent, internally and externally the achievements of our fraud investigators (e.g., successful prosecutions)?	<p><b>YES</b></p> <p>The Corporate Fraud Team's Activity and Performance Report, which is published annually through reporting to the Scrutiny Committee, contains outcomes relating to all corporate fraud employee investigations including the Council's Whistleblowing activity and outcomes.</p>	NO	

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**REPORT TO: SCRUTINY COMMITTEE – 25 SEPTEMBER 2024**

**REPORT ON: CORPORATE FRAUD TEAM ACTIVITY & PERFORMANCE, INCLUDING WHISTLEBLOWING 2023/24**

**REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**REPORT NO: 257-2024**

## **1.0 PURPOSE OF REPORT**

This report is to inform Elected Members of the Corporate Fraud Team's (CFT's) activity and performance for the 12-month period to 31 March 2024, including whistleblowing activity.

## **2.0 RECOMMENDATIONS**

It is recommended that Members of the Committee note the information in this report.

## **3.0 FINANCIAL IMPLICATIONS**

There are no direct implications arising from this report, although it is noted that in the year to 31 March 2024, the CFT identified savings of £37,527 from general investigative work and £81,238 of fraud and / or error in Housing Benefits through the collaborative working practices with the Department of Work and Pensions (DWP) Single Fraud Investigation Service (SFIS). The total of savings and overpayments for CFT work in 2023/24 is £118,765. Action has been taken by the Council to seek financial recovery where applicable.

## **4.0 BACKGROUND**

At the 27 April 2015 Policy and Resources Committee (Article VIII, Report No 180-2015) Members approved the establishment of a CFT from 1 June 2015. The CFT is a specialist investigative unit with responsibility for investigating all types of corporate fraud.

### **4.1 BUSINESS GRANTS**

Throughout 2023/24, the CFT continued to work with key members of staff in City Development responsible for administration and awarding of various grants to Businesses. These grants included the Business Growth & Innovation Grant and the TAY5G funding. The CFT played a pivotal role in the mandatory process of due diligence of the applicants / businesses prior to any grant award.

### **4.2 GENERAL INVESTIGATIVE WORK AND DWP**

4.2.1. The CFT identified £37,527 of savings from general investigative work in the year to 31 March 2024.

4.2.2. The CFT continued to assist investigating Housing Benefit through the sharing of evidence and witness statements as part of an agreement with DWP. That work identified £81,238 of fraud and error. Further detail is included at Appendix 1 along with referral statistics for the year.

4.2.3. The CFT continues to work with and share best practice with various other agencies and public sector bodies. These include various teams within Police Scotland, Scottish Government, Audit Scotland, OSCR (Office of the Scottish Charity Regulator), the Cabinet Office, SEPA (Scottish Environment Protection Agency), NHS Counter Fraud Services, SAAS (Student Awards Agency Scotland), HMRC and other Scottish local authorities.

### 4.3 ADVICE, GUIDANCE AND CORPORATE SUPPORT

4.3.1. In addition to the investigative work carried out during 2023/24, the CFT has continued to provide a diverse range of advice, guidance and support to the Council's strategic services.

- The CFT have assisted Democratic & Legal Services by carrying out a proportion of checks of Licence Renewal Applications (Taxi & Civic) as part of the 2023 Licence Renewal Process.
- The CFT Supervisor is a member of the Council's group for the UK Asylum Dispersal Scheme in the City. The CFT Supervisor's role is to provide financial fraud risk and prevention advice to the group.
- The CFT have been active in Government Procurement Card (GPC) compliance including delivering training / awareness and checks on usage of GPC's as per the Council's Guidelines. The CFT work closely with the Corporate Procurement Team.
- The CFT has continued to be actively involved in operational groups and processes, including the Serious Organised Crime Group and Integrity Group both of which are chaired by the Head of Corporate Finance.
- The CFT Supervisor's work in the Council's Serious Organised Crime Group included working with the Council's Risk Management Co-Ordinator to produce, implement and maintain a Serious Organised Crime Risk Register. The CFT Supervisor continues to work closely with local Police Scotland teams and the National Serious Organised Crime Interventions Unit (NSOCIU), Scottish Crime Campus, Gartcosh.
- The CFT Supervisor has continued during 2023/24 to be the Scottish representative on the Executive Board of NAFN (National Anti-Fraud Network) and an active member of SLAIG (Scottish Local Authority Investigators Group). In September 2023, Dundee City Council held the first in person SLAIG meeting since March 2020. As part of SLAIG, the CFT Supervisor participates in discussions with the Crown Office and Procurator Fiscal Service (COPFS) and Scottish Government regarding the ongoing prevention and detection of public sector fraud. The CFT also receives national fraud alerts through NAFN from the National Crime Agency, the National Fraud Intelligence Bureau and the National Cyber Security Centre. These alerts are distributed to key Council staff.
- The CFT continues to work closely with the DWP and is represented at both local and national (Scottish) level meetings to help support the Housing Benefit investigation process in general and recovery of overpayments from Housing Benefit fraud and error in Dundee.

### 4.4 FRAUD AND CORRUPTION HEAT MAP

4.4.1. The Fraud and Corruption Heat Map continues to be developed and Service Areas are required to continually address and manage fraud and corruption risks as part of their existing Risk Registers (RR's).

4.4.2. The heat map is there to supplement existing Service Area RR's and to assist both the CFT and Services in pro-actively focussing on key risks. It sets out to identify the degree of risk in Service Areas against a standard set of fraud and corruption risks, highlighted by a 'RAG' (red/amber/green) rating, where efforts to mitigate fraud and corruption risks should be focussed.

4.4.3. The CFT Supervisor has recently held specific discussions with Elected Members during 2 training sessions. These sessions focussed on risk assurances, advice and the offer of fraud, bribery & corruption training.

- 4.4.4. The Integrity Group will be updated on a regular basis on the progress of mitigation of the fraud and corruption risks identified in this heat map and of any new risks that require to be added. All risks will be reviewed on a periodic basis.
- 4.4.5. An annual self-assessment against the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption confirms that the Council has adopted a response that is appropriate for its fraud and corruption risks.

#### **4.5 CORPORATE FRAUD EMPLOYEE INVESTIGATIONS**

- 4.5.1. All allegations of fraud and corruption are investigated by the CFT, in partnership with other Council colleagues and external agencies where appropriate.
- 4.5.2. During 2023/24, the CFT investigated allegations of fraud which at times involved working alongside Police Scotland and the COPFS. Other CFT investigations during 2023/24 involving employees included allegations of fraud, bribery, corruption, missing cash, Government Procurement Card misuse, Council Tax Discount, misuse of council vehicles, theft, inappropriate social media behaviour and various breaches of Council policies.
- 4.5.3. Following conclusion of these investigations, recommendations have been made for improvements to internal controls to reduce the risk of similar incidents happening in the future. It is the remit of the People Service and the employee's Head of Service to consider whether any disciplinary action is required.

#### **4.6 WHISTLEBLOWING**

- 4.6.1. The Council's whistleblowing function is corporately managed by the CFT. The CFT manages the Council's dedicated whistleblowing telephone line and email reporting arrangements. It also monitors and records all whistleblowing allegations and outcomes on the Council's Fraud Management System.
- 4.6.2. In line with the policy, all whistleblowing allegations received are shared with the Council's Joint Head of People, the Head of Democratic and Legal Services and the Acting Senior Manager – Internal Audit. These managers, or an appropriate delegated officer, determine how best to proceed with, and who should lead, an investigation.
- 4.6.3. The action taken by the Council in response to a reported concern will depend on its nature, but may include one or more of the following:
- carrying out an internal investigation (People Service, Internal Audit and / or CFT)
  - dealing with the matter through an internal procedure
  - referring the issue to Police Scotland and / or to external audit
  - referring the issue to an external public or regulatory authority
  - bringing in external specialists to investigate where required
- 4.6.4. A decision may also be taken that no formal investigation is required.
- 4.6.5. Employees can report concerns in a variety of ways e.g. speak to their supervisor, send a letter, complete an anonymous form on the intranet or internet, email the dedicated email address or phone the 24hr freephone whistleblowing telephone number.
- 4.6.6. For the 12-month period to 31 March 2024 the Council received 17 whistleblowing allegations. The continued reporting of whistleblowing allegations demonstrates the ongoing positive culture of the organisation in which staff feel comfortable enough to report their concerns.

Whistleblowing allegation statistics, split by service area, can be found at Appendix 2 along with corresponding outcomes data.

#### **4.7 NATIONAL FRAUD INITIATIVE (NFI)**

- 4.7.1. The NFI is co-ordinated by the CFT, and the Council's Key Contact is the CFT Supervisor. The Council's NFI performance is reported in a separate annual report to this Committee. (Report 256-2024 refers).

#### **5.0 POLICY IMPLICATIONS**

This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

#### **6.0 CONSULTATIONS**

The Council Leadership Team was consulted in the preparation of this report.

#### **7.0 BACKGROUND PAPERS**

None.

**ROBERT EMMOTT**  
**EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**3 SEPTEMBER 2024**

## CORPORATE FRAUD ACTIVITY AND PERFORMANCE REPORT - 1 APRIL 2023 TO 31 MARCH 2024

Table 1 – CFT Referrals / Information Exchanges Statistics &amp; Employee Cases

REFERRALS FRAUD or ERROR TYPE / SERVICE AREA	NUMBER OF REFERRALS
<b>Referral Type / Information Exchanges</b>	
Blue Badge	34
Business Grants / Other Grants	8
Council Tax (Council Tax Reduction and Discounts)	45
Government Procurement Card Compliance Checks (GPC)	22
Housing Tenancy Fraud	6
Licence Renewal Checks	87
Parking Permit	1
Pensions	3
Referred to Other Agencies (No DCC Impact)	2
School Placing Requests	2
<b>Service Area (allegations involving employees see para 4.5 above for examples)</b>	
Children & Families	20
City Development	2
Corporate Services	1
Dundee Health and Social Care Partnership (DH&SCP)	7
Neighbourhood Services	24
<b>SUB-TOTAL</b>	<b>264</b>
Data Protection Enquiries from other Enforcement Agencies / LA's	19
Housing Benefit - DWP Information Exchange for Investigation Cases	41
<b>TOTAL</b>	<b>324</b>

**Table 2 – Savings / Benefits Identified**

<b>FRAUD or ERROR TYPE</b>	<b>NUMBER OF CASES</b>	<b>SAVINGS IDENTIFIED (£) / BENEFITS</b>
Council Tax (Council Tax Reduction, Single Person Discount & Exemptions)	34	21,543
General Income / Savings (GPC & Fraudulent Insurance Claim)	3	5,883
Housing Benefit (Identified during other CFT investigations)	1	3,954
Pensions	1	6,147
<b>SUB-TOTAL</b>	<b>39</b>	<b>37,527</b>
Housing Benefit - DWP Information Exchange for Investigation Cases	7	81,238
<b>TOTAL</b>	<b>46</b>	<b>118,765</b>

The tables below provide a summary of results from the whistleblowing activity for 12 months to 31 March 2024.

**Table 1 – Whistleblowing Allegations per Service Area**

Service Area	No. of Allegations
Children & Families	4
City Development	2
Corporate Services	1
Neighbourhood Services	9
Dundee Health & Social Care Partnership	5
<b>TOTAL</b>	<b>21</b>

**Table 2 – Outcomes of Whistleblowing Allegations**

Outcomes	
Ongoing	5
No further action / unsubstantiated	4
Dealt with in line with current People Service procedures	12
<b>TOTAL</b>	<b>21</b>

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**REPORT TO: CITY GOVERNANCE COMMITTEE – 24 JUNE 2024**

**REPORT ON: COUNCIL PLAN 2022-2027 - PROGRESS REPORT FOR 2023/24**

**REPORT BY: CHIEF EXECUTIVE**

**REPORT NO: 166-2024**

## **1.0 PURPOSE OF REPORT**

1.1 To provide the second annual progress report on the Council Plan 2022-2027.

## **2.0 RECOMMENDATIONS**

2.1 It is recommended that Committee:

- a) notes the progress made in 2023/24;
- b) remits the report to the Scrutiny Committee for further consideration; and
- c) remits the Council Leadership Team to monitor progress and implement improvements as necessary to deliver the outcomes agreed.

## **3.0 FINANCIAL IMPLICATIONS**

3.1 None.

## **4.0 BACKGROUND**

4.1 The [Council Plan 2022-2027](#) was agreed by the Policy and Resources Committee on 5 December 2022 (article II refers). The Council Plan 2022 - 2027 is the strategic plan for Dundee City Council as a corporate entity. It aims to set out the main corporate approaches, priority targets and actions, and key strategies for the purposes of public accountability on delivering on our priorities.

4.2 In line with the Council's performance management framework, the City Governance Committee (previously Policy and Resources Committee) receives an annual and six-monthly progress report on the Council Plan. The annual report (attached at appendix 1) aims to capture progress during 2023/24 on the Plan's main priority themes, actions, and targets.

4.3 The report tracks performance with the indicators set in the plan, compared to the previous 2 years, and compared to the year 2 targets. It also includes progress made on each of the actions in the Plan.

4.4 The two reports per year aim to maintain focus and pace on delivering the Council's priorities. The next report, due in November 2024, will be providing the mid-year report, which will include some annual data for 2023/24 not available for this report.

4.5 Each service also sets out in more detail how they aim to support the delivery of the City and Council Plan priorities within their Service Plans being brought forward to Committees after summer recess.

4.6 Key strategic partners, Dundee Integration Joint Board and Leisure and Culture Dundee, both make significant contributions to the delivery of the City and Council Plan priorities. They have separate reporting and governance arrangements but will bring forward reports to City Governance Committee to note their progress as appropriate.

## **5.0 PERFORMANCE AND PROGRESS**

5.1 The Council Plan annual report shows the Council is focused on tackling its key priorities as well as contributing to those agreed in the Dundee Partnership's City Plan 2022-2032. It is building on over a decade of transformation in the city's economy and quality of life in neighbourhoods. The increased focus on reducing child poverty and inequalities and tackling climate change addresses two areas from the evaluation on the previous Plan and the Council's Best Value Audit.

- 5.2 The summary of Council Plan performance by priority theme in the table below shows that, overall, 64% of the performance indicators in the Council Plan are on or within 5% of the target. This is an increase from 50% of performance indicators that were on or within 5% of the year 1 target in last year's annual report. The Deliver Inclusive Economic Growth including Community Wealth Building has seen the Council now within the 5% target for all 4 of its performance indicators. The table also shows that 77% of performance indicators have improved over the previous year, an increase from 55% of performance indicators in last year's annual report. All themes have achieved improvement in at least 60% of its performance indicators. Notably, design a Modern Council has achieved improvement in 100% of its performance indicators.

#### Council Plan 2023/24 or latest indicators

Priority Theme	Within 5% of target	Improved over previous year	Total Indicators
Reduce Child Poverty and Inequalities in Incomes, Education and Health	3 (50%)	4 (67%)	6
Deliver Inclusive Economic Growth including Community Wealth Building	4 (100%)	3 (75%)	4
Tackle Climate Change and achieve Net Zero Carbon Emissions by 2045	2 (50%)	3 (75%)	4
Build Resilient and Empowered Communities	3 (60%)	4 (80%)	5
Design a Modern Council	2 (67%)	3 (100%)	3
<b>TOTAL</b>	<b>14 (64%)</b>	<b>17 (77%)</b>	<b>22</b>

- 5.3 The purpose of this type of reporting is to ensure focus on delivering the levels of improvement on key measurable outcomes. The Council Leadership Team reviews all areas to ensure all plans help towards the priority outcomes. Looking across the total number of indicators in the appendix, the most improved indicators and the areas for improvement are noted below. The areas for improvement will be a focus during the next year to get on track towards the target.

The indicators showing the **most improvement** are:

- Number of Council and Registered Social Landlord housing completions (161% increase).
- Visitor numbers to Dundee per 1,000 of population (9% increase).
- The total number of opportunities provided to young people e.g. modern apprenticeships and trainees (70% increase).
- % of 5-22 population who have free bus concession NEC smartcard (23% increase).
- Reduce energy consumption in Council buildings tCO2 (16% reduction).

The indicators needing **further improvement or focus** are:

- Positive Destinations remains a key area of improvement for Dundee. Although the data has shown improvement on this for all young people and young people living in SIMD 1 areas, Dundee is still the local authority with the lowest participation in positive destination rates for 16–19-year-olds in Scotland. In addition, the percentage of care experienced young people in positive destinations has decreased from 83.3% to 71% between 2021/22 and 2022/23, falling well below the 92% target. An improvement plan is in place for this now.
- The indicator for measure of cycling in the city has fallen from 32% to 28% between 2022/23 and 2023/24. This indicator had been on target prior to this decrease, however it is now 4% below the target of 32%. Additionally, this target will increase to 36% next year.
- The Average Total Tariff for SIMD1 has decreased between 2021/22 and 2022/23 in Dundee from 637 to 568. This is below the current target of 605. Closing the attainment gap for children from deprived areas is a key objective both locally and nationally.

5.4 The summary of progress on the actions in the Council Plan for the Council's 5 priorities shows that all actions have made some initial progress. The actions which have progressed the most (progress is now over 70%):

- Continue work to reduce the cost of the school day.
- Implement the recommendations of The Promise to deliver the Scottish Government's commitment to care for Scotland's most vulnerable children and give them the best possible childhood.
- Promote the uptake of concessionary travel scheme for young people, ensuring quick and easy access to entitlement.
- Prioritise welfare support grants to children and families.
- Deliver Scotland's first council-led green participatory budgeting initiative – Dundee Climate Fund
- Deliver the Low Emission Zone to improve air quality (LEZ)
- Develop a city-wide Local Area Energy Plan and Local Heat & Energy Efficiency Strategy in partnership with the Dundee Climate Leadership Group
- Develop and implement a Net Zero Transition Plan and Carbon Budget for the Council
- Embed a Cycle Network Plan within the Local Development Plan
- Maximise participatory budgeting in all forms.
- Increase community ownership of Council owned assets.
- Roll out hybrid working across the Council.
- Increase digital learning, teaching of new working methods and developing the skills of our employees.
- Long-Term Financial Strategy to be updated to reflect new Council Plan priorities.

The only action where progress was reported of 5% or less is:

- Expand our free early years education to all 1 and 2-year-olds, starting with children from low-income households. This action has a target completion date of 31 March 2027.

5.5 The appendix attached is the full report setting out in detail our progress. It includes the following sections:

- An introduction by the Leader of the Council and Chief Executive and Background (pages 3 - 6).
- An overall summary of performance, highlights, and areas for improvement (pages 7-12).
- A section on each theme covering priorities, a performance scorecard, and some key highlights and activity for the next six months.
  - Reduce child poverty and inequalities in incomes, education, and health (pages 13-21).
  - Deliver inclusive economic growth including community wealth building (pages 22-31).
  - Tackle climate change and achieve net zero by 2045 (pages 32-39).
  - Build resilient and empowered communities (pages 40-48).
  - Design a modern council (pages 49-56).

## 6.0 POLICY IMPLICATIONS

6.1 The progress presented in this report and all actions will make an impact on achieving the priorities and outcomes set out in the Council Plan 2022-27 report. The Integrated Impact Assessment (IIA) for previous years' reports continues to be accurate. Article II of the Minute of the Policy & Resources Committee on 5 December refers to the original report and IIA.

## 7.0 CONSULTATIONS

The Council Leadership Team were consulted in the preparation of this report.

8.0 BACKGROUND PAPERS

8.1 None.

GREGORY COLGAN  
CHIEF EXECUTIVE

DATE: 6 JUNE 2024

ANDREA CALDER  
HEAD OF CHIEF EXECUTIVE'S SERVICES



# **C** Dundee City **ouncil** **Plan** **2022-2027**

**Annual Progress Report 2023-24**



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# Introduction

## by the Leader of Dundee City Council and the Chief Executive

This second annual progress report shows the Council making steady progress on delivering its Council Plan 2022-2027 objectives.

Together with the Dundee Partnership we are focused on the vision for Dundee. We are a caring city and tackling the root cause of poverty head on is one of the biggest challenges we face, especially as we continue our recovery from the pandemic and tackle the impact of the cost-of-living crisis on many of our citizens.

Closing the poverty related attainment gap is a key part of tackling the effects of child poverty. Although the most recent year saw a reduction for school leavers living in the most deprived communities their average attainment level over the past five years is a rising trend, demonstrating progress towards this aim. The latest results are above the pre Covid level.

We continue to work on reducing the cost of the school day and to help families and children the Council Tax and the cost of school meals were frozen in the 2024/25 budget. The budget also included £2m worth of additional funding for Children's Services and £500,000 cost of living support.

We are delivering inclusive economic growth to create jobs and opportunities for all by keeping Dundee in the spotlight as a place to invest. The Waterfront development continues to attract and retain jobs. James Thomson House is the latest construction in the £26 million development at Dundee Waterfront. The new City Centre Strategic Investment Plan 2050 is an ambitious 30-year plan to steer development and investment opportunities for Dundee city centre. It sets out a vision for the city centre as an exciting, growing place to live, work and visit. Last year saw an increase in the percentage of all 16-19-year participating in positive destinations, however, improving the number of young people who go on to secure and sustain a positive destination remains a key area of focus for Dundee.

We are tackling climate change and making Dundee greener, and our low emissions zone within the city centre was implemented in May.

We are building resilient, empowered communities through local community planning and investing in the areas of the city which need it most. For the first time, the Council has surpassed the target of 200 per annum for council and registered social landlord housing completions. A total of 264 affordable homes were completed during 2023/24, a rise of 161% from the previous year.

The Best Value Audit published in November 2023 found that community empowerment is strongly reflected in the Council's plans. The Council is on track to meet the target of 1% of the budget being allocated via participatory budgeting. The Council Plan sets out clear aims to maximise participatory budgeting in all forms.

Local government continues to face a very challenging situation. Demand for services has never been higher at the same time as the financial forecast is for a real-terms reduction. Once again, the Council has achieved a balanced budget, but we need to Design a Modern Council that can be sustainable for the long term. We have a plan to rationalise our properties and redesign some services to be leaner yet able to meet people's needs. In living our values, we will be open and honest. We will let the data on performance targets and progress on our plans speak for themselves. Through progress reports on this Plan, and our other plans, we will show our commitment to be inclusive, innovative and constantly learning about where we can improve.



**Councillor John Alexander**  
Leader of Dundee City Council



**Gregory Colgan**  
Chief Executive

# Background

Dundee City Council fully endorsed the shared vision for our city set out in the Dundee Partnership's City Plan 2022 – 2032. This reflects a consensus in the city which we can all work towards and is set out as follows:

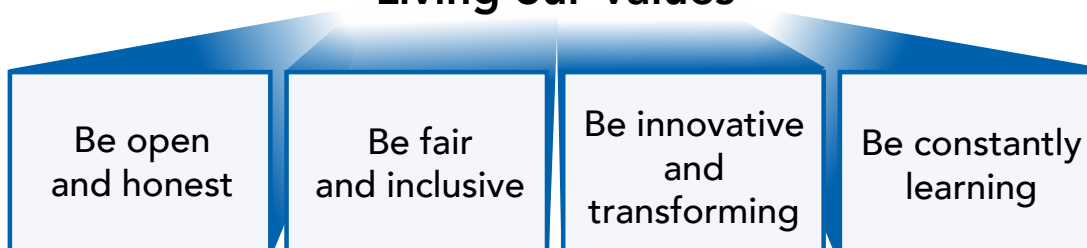


To achieve the vision, the Council Plan 2022-2027 sets out a commitment to focus on five strategic priorities for the life of the five year plan and how the Council aims to support delivery on these. Underpinning this is our bold and ambitious culture to encourage everyone at Dundee City Council to live our values and deliver on these priorities.

The strategic priorities are:



## Living our Values



Over the life of this 5-year plan, the aim is to make sure we can report on the social transformation of the city in the same positive terms as the economic transformation. Dundee, like many urban areas, has major social challenges to overcome. It is also clear that the pandemic and the cost of living crisis has exacerbated the challenges faced by the city.






At this stage in the year some of the annual data for 2023/24 is not available yet. Where this is the case, the report uses the annual data in relation to the target and improvement over the year before. Where possible, in year measures have been developed so we can use monthly or quarterly data to comment on the current performance to target and improvement.

The plan set targets for year one 2022/23 and year three 2024/25.

# Progress Summary 2023-2024

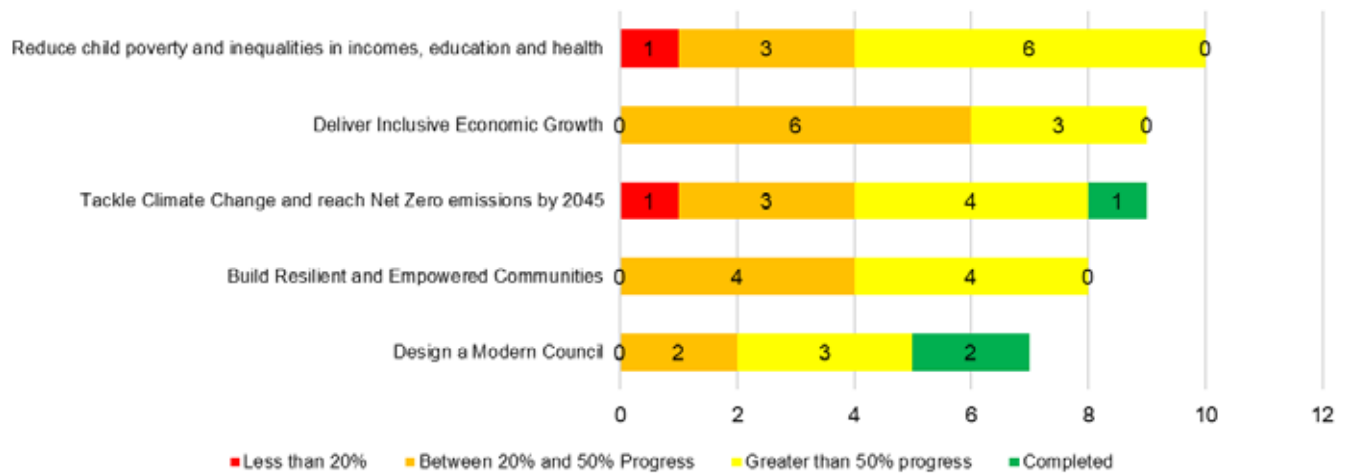
Table 1 shows that, overall, 64% of the performance indicators in the Council Plan are on or within 5% of the target. This is an increase from 50% of performance indicators that were on or within 5% of the year 1 target in last year's annual report. The Deliver Inclusive Economic Growth including Community Wealth Building has seen the Council now within the 5% target for all 4 of its performance indicators. The table also shows that 77% of performance indicators have improved over the previous year, an increase from 55% of performance indicators in last year's annual report. All themes have achieved improvement in at least 60% of its performance indicators. Notably, Design a Modern Council has achieved improvement in 100% of its performance indicators.

**Table 1: Council Plan 2023/24 or latest indicators**

Priority Theme	Within 5% of Yr 1 target	Improved over previous year	Total Indicators
 Reduce Child Poverty and Inequalities in Incomes, Education and Health	3 (50%)	4 (67%)	6
 Deliver Inclusive Economic Growth including Community Wealth Building	4 (100%)	3 (75%)	4
 Tackle Climate Change and achieve Net Zero Carbon Emissions by 2045	2 (50%)	3 (75%)	4
 Build Resilient and Empowered Communities	3 (60%)	4 (80%)	5
 Design a Modern Council	2 (67%)	3 (100%)	3
<b>TOTAL</b>	<b>14 (64%)</b>	<b>17 (77%)</b>	<b>22</b>

Graph 1 shows that all actions are in progress, which means someone has been assigned, briefed and already taken some steps towards achieving an action plan or the target. The percentage complete is a self-assessment and the progress on priorities in each theme will give some indication of progress to date. Each year this table should show almost all complete and improved rates in Table 1 of improvement and being on target.

### Graph 1: Council Plan Actions progress



Each section of the document highlights the activities completed or making significant progress this year as well as areas needing more progress.

# Summary of Key Highlights in the Report

Some of the most significant achievements, in meeting targets and making progress on projects, have been:

## Reducing child poverty and inequalities in incomes, education and health



- Closing the poverty related attainment gap is a key part of tackling the effects of child poverty. Although the most recent year saw a reduction for school leavers living in the most deprived communities of their average tariff score but over the past five years this is a rising trend, demonstrating progress towards this aim. The latest tariff score at 568 for 2022/23 is above the pre covid 2019 result of 553.
- To help families and children the Council Tax and the cost of school meals were frozen in the 2024/25 budget. The budget also included £2m worth of additional funding for Children's Services and £500,000 cost of living support.
- The Council is meeting the free bus concession target uptake and 82% of 5–21 year-olds received their NEC card with the free bus concession loaded. In year 2 of the scheme 3.15m free journeys by young people were made, up 19% on last year, saving families in Dundee roughly over £6m in travel costs.
- Last year, the Scottish Government expanded the provision of free school meals for Primary School pupils. P1 - P5 pupils have had the option of a free, healthy school meal and this had a take up of 65%. And 66% of P6-S6 have taken up their entitlement to a free school meal which is slightly up on the year before.

## Delivering inclusive economic growth and community wealth building



- Dundee achieved successful and safe delivery of the Big Weekend over a glorious weekend in May 2023. Over 83,000 people enjoyed the festivities which resulted in a positive post-event evaluation with estimated £3.7 m economic impact.
- The Waterfront development continues to attract and retain jobs. James Thomson House is the latest construction in the £26 million development at Dundee Waterfront. The building will provide 51,600 square feet of Grade A office accommodation when completed in 2025.
- Programme Management of Dundee's UK Shared Prosperity Fund allocation (the successor to EU Structural Funds) progressed throughout 2023/2024. Three Challenge Fund Rounds have been undertaken with funding awarded to 35 projects across the city to the value of £1.09 million supporting the economic regeneration and growth of the city. A 4th Challenge Fund was launched in February 2024.
- The Council funded Business Gateway Tayside Service continues to meet or exceed performance targets. The service supported 181 businesses into start-up in Dundee in the first 3 quarters of 2023/2024 with a further 75 supported to grow their businesses. A dedicated Community Outreach Adviser was appointed to provide outreach services to existing and prospective businesses that may not self-access Business Gateway services.

## Tackling climate change and achieving net zero by 2045



- Preparations for the LEZ were completed in advance of the enforcement date in May 2024.
- Round two of the Dundee Climate Fund participatory budgeting was a success with a total of 10 local projects benefiting from a share of £365,000. Voting closed after seven weeks and 4758 votes were cast, an increase of more than 300 votes from the previous year. Applications for round three have opened on Dundee's Voice.
- Dundee was recognised as one of 119 cities across the globe that are taking bold leadership on environmental action and transparency, despite the challenging global economic situation. The charity CDP gave the city an A rating in its rankings based on actions being taken to tackle climate change. Only 26 UK local authorities achieved the highest rating, with Dundee, Perth & Kinross and Edinburgh as the only Scottish recipients.
- The new path linking Broughty Ferry to Monifieth has opened. Following along National Cycle Network Route 1, the £18m project will provide a safe and direct walking, wheeling and cycling option for residents and visitors to the area. The 2.5-mile long off-road path is already proving popular, with more people than ever able to leave the car at home for short, everyday journeys. Funding for the project was received through Places for Everyone, an active travel infrastructure programme backed by Transport Scotland and managed by Sustrans.
- Dundee City Council Net Zero Transition Plan was approved at Committee and published in November 23, outlining our organisation goals and actions to lead us in a 'just transition' to Net Zero emissions by 2038.





## Building resilient and empowered communities

- The 8 Local Community Plans 2022-27, focused on reducing inequalities, were approved by the Policy & Resources Committee in September 2022 following extensive local engagement.
- Dundee's Voice was launched as the digital participatory budgeting platform and attracted over 4,000 votes for the Climate Change fund.
- Financial close has been achieved and work commenced on site during Spring 2023 for the East End Community Campus. The project remains on programme for completion in Spring/Summer of 2025 to enable opening of the new campus in August 2025.
- A total of 264 social rented housing completions were achieved during 2023/24 and 101 were completed the year before. The Council also approved during the year an Open Market Housing Acquisition Strategy which could increase the supply of affordable housing for social rent.
- Work is to be undertaken to amalgamate Community Asset Transfer and other instruments to release assets at less than market value and bring them together under the Community Wealth Building banner.
- 20 Minute Neighbourhood Policy now formally adopted in National Planning Framework 4 which was adopted in February 2023.



## Designing a Modern Council

- The impact of the Local Government Financial Settlement required the Council to identify upwards of £19m of savings to balance the overall budget. A list of options that would meet this gap were accepted and recommended to the City Governance Committee. The Revenue Budget was approved by the City Governance Committee.
- The budget proposal agreed by members included commitments intended to support the Council's strategic priorities. This included resources to support the expansion of free school meals, environmental improvements for parks and green spaces across the city, as well as the city centre, tackle social inequality and investment in economic development to support city events.
- Key strategies to support the Council Plan were implemented, including, the Strategic Workforce Plan 2023-28, Employee Health and Wellbeing Framework 2023-23 and the Long Term Financial Strategy was agreed in September 2023. This strategy sets out six key workstreams aimed to tackle a projected budget deficit of circa £19.5m and deliver a balanced budget for financial year 2024-25.
- Employee Performance, Development and Engagement are crucial enablers to ensure that Our People strategy is realised. Quality Conversations with individuals and teams with their managers have been embedded across the organisation to develop each employee and team.

# Areas for Improvement

This report highlights areas for improvement in the year ahead based on the performance indicators furthest away from the target and with no improvement on the year before.

## Areas for improvement

The areas on which we need to concentrate next year to maintain a focus on the Council Plan's ambitious targets on the key priorities are.

1. Positive Destinations remains a key area of improvement for Dundee. Although the data has shown improvement on this for all young people and young people living in SIMD 1 areas, Dundee is still the local authority with the lowest participation in positive destination rates for 16–19-year-olds in Scotland. In addition, the percentage of care experienced young people in positive destinations has decreased from 83.3% to 71% between 2021/22 and 2022/23, falling well below the 92% target.
2. The indicator for measure of cycling in the city has fallen from 32% to 28% between 2022/23 and 2023/24. This indicator had been on target prior to this decrease, however it is now 4% below the target of 32%. Additionally, this target will increase to 36% next year.
3. The Average Total Tariff for SIMD1 has decreased between 2021/22 and 2022/23 in Dundee from 637 to 568. This is below the current target of 605. Closing the attainment gap for children from deprived areas is a key objective both locally and nationally.

Overall, it should be noted that 68% of the Council Plan Key Performance Indicators are showing improvement on their baseline year. This figure is likely to rise as data collection processes update more of the data from 2023/24 and is reported on again in the six-monthly progress report.

It should also be noted performance has improved in 77% of Council Plan Key Performance Indicators compared to last year and that 64% are within 5% of their current target. While this is a significant improvement, this was to be expected as the year 1 and year 2 targets were identical for each performance indicator. However, the targets for all indicators will increase for year 3 of the plan, meaning it will be more challenging to achieve these targets next year. The Council Plan targets are Bold and Ambitious to deliver on the Council's priorities and the Vision for Dundee.

# Reduce Child Poverty and Inequalities in Incomes, Education & Health



“Dundee will be a caring city which has tackled the root causes of poverty and delivered fairness in incomes, education and health.”

## Dundee Plans

The Council has several plans and strategies that will be focused on reducing child poverty and inequalities in the city. These include:

- Fairness and Local Child Poverty Action Plan including our wider fairness work
- Children and Families and Chief Executive’s Service Plans
- Equalities Mainstreaming Reports
- Not Just a Roof housing options and homeless strategy and Rapid Rehousing Transition Plan

## Strategic highlights from last year

- Closing the poverty-related attainment gap is a key part of tackling the effects of child poverty. Although the most recent year saw a reduction for school leavers living in the most deprived communities their average tariff score over the past five years is a rising trend, demonstrating progress towards this aim. The latest tariff score at 568 for 2022/23 is above the pre Covid 2019 result of 553
- To help families and children the Council Tax and the cost of school meals were frozen in the 2024/25 budget. The budget also included £2m worth of additional funding for Children’s Services and £500,000 cost of living support.
- The Council is meeting the free bus concession target uptake and 82% of 5–21 year-olds received their NEC card with the free bus concession loaded. In year 2 of the scheme 3.15m free journeys by young people were made, up 19% on last year, saving families in Dundee roughly over £6m in travel costs.
- Last year, the Scottish Government expanded the provision of free school meals for Primary School pupils. P1 - P5 pupils have had the option of a free, healthy school meal and this had a take up of 65%. And 66% of P6-S6 have taken up their entitlement to a free school meal which is slightly up on the year before.
- The latest data from Skills Development Scotland for the half year to Dec 2023 indicates Dundee is improving the positive destinations for young people in SIMD 1 is at 86.7% compared to 79.8% the same period the previous year. As part of the concerted effort to improve this further a Positive Destination Improvement Plan for those aged 16-19 has been developed by a partnership Task and Finish Group during 2023 with implementation from April 2024 and approved by the City Governance Committee on 22 April 2024.

## Actions in progress for completion 2024/25

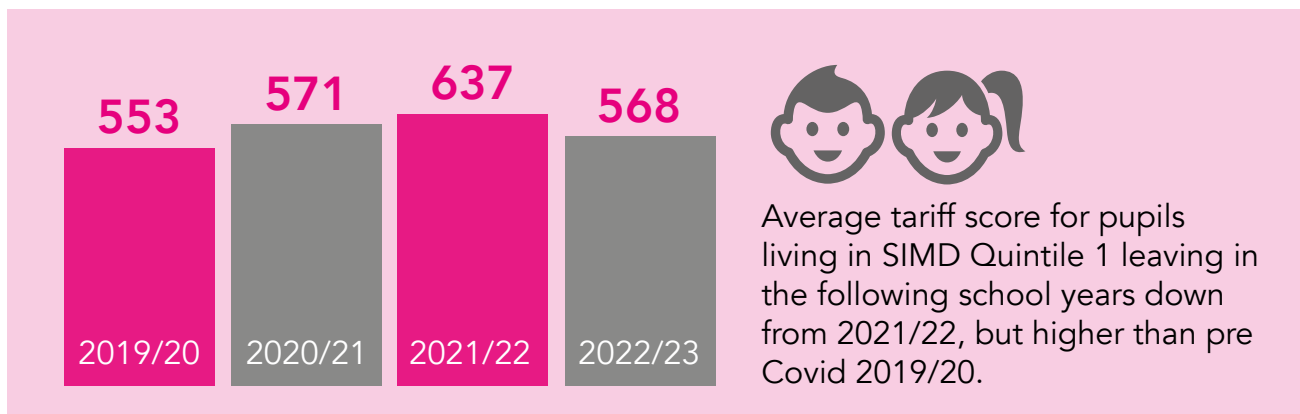
There are no actions due for completion in the year ahead but six actions are over 50% complete.

- Continue work to reduce the cost of the school day.
- Implement the recommendations of The Promise.
- Promote the uptake of concessionary travel scheme for young people.
- Prioritise welfare support grants to children and families.
- Maintain momentum in energy efficiency and wall insulation programmes to reduce fuel poverty for children and families.
- Monitor Progress of the Local Fairness Initiatives to ensure support and engagement across council services, as well as implementing changes to services or policies, as appropriate.
- Deliver on the Mainstreaming Equalities Report Action Plan.

## National Performance Framework

(Aligning global, national and local aims)





**3,153,583**  
under 22s  
free bus journeys.

**82%** 5-21 yr olds in Dundee with free bus travel with NEC in 2023/24.

**65%**

of P1- P5 children take up new universal free school meals and 66% of P6-S6 take up entitlement.

## Priorities in Action

### Reducing the Cost of the School Day

At the recent Children & Families Service Committee it was agreed that reducing the Cost of the School Day should now be integrated fully into school improvement planning. A couple of recent new initiatives in the last year are highlighted below.

Craigowl Primary School are working with the SFA for a project called Extra Time. It targets families primarily who are in SIMD 1 and 2 and/or low paid jobs who struggle for childcare. It is a breakfast and afterschool club based around giving young people breakfast and tea and football coaching. They also provide holiday camps for them. This funded by SFA and Dundee Bairs.

St Paul's started a free Breakfast Club in May 2023 funded by applying for a range of grant funding and it is now providing breakfast for over 100 young people every day. It is staffed by a rota of volunteers (teachers and some support staff).

The reducing the cost of the school day is on top of national initiatives introduced the previous year including the Scottish Government expanded the provision of free school meals for Primary School pupils. From January 2022 all P1 - P5 pupils have had the option of a free, healthy school meal.

**The most recent figures from Tayside Contracts show that 66% of P6 - S6 pupils have taken the Free School Meal entitlement, which is up 1% on the previous year. 65% of P1-P5 take up the universal free school meal, down 4%.**

Free period products are available in all primary and secondary schools. 86,038 products were distributed through schools in 2023/24 out of a total products distributed in communities and schools of 639,250.

The expansion of free early years education for 1 and 2 years olds starting with children on the lowest incomes is not yet available ready to roll out and information from the Scottish Government is pending. Dundee City Council were invited as part of the 'All Age Childcare' funding bid for 2024/25 to include proposals for scoping childcare needs with families with children under 3 in targeted areas. We await the outcome of our funding bid, due to be confirmed August 2024.

## Welfare Support Grants to Children and Families

As a result of Dundee City Council streamlining processes eligible families in receipt of Housing Benefit or Council Tax reduction are now automatically awarded the school clothing grant and no longer need to fill in a new application form each year. Schools continue to actively publicise the grants and benefits that families can access in an effort to ensure barriers to education are minimised.

Collaborative working continues. Access to advice in Morgan Academy has proved very successful with recent expansion into Braeview and Craigie schools. In 9 months the Morgan Academy model has seen 183 families claim £391k through income maximisation which includes the various welfare support grants available.

Over 60 families from the Linlathen area have benefited from engagement in the Scottish Government funded Early Adopter School Age Childcare Project. Prior to the project, families mentioned childcare was a barrier to employment along with challenges in sustaining employment and when considering increased hours.

## Free bus travel for Under 22s

There are now 25,456 5–21 year-olds with an NEC card with the free bus travel on it. That is 82% of the Dundee 5-21 population. Although the percentage is down on the year before this is based on the new population estimates increasing the over 18 estimate which will include Students that have a card from other parts of Scotland. When you add 963 young disabled people who live in Dundee and already had a free bus travel card then it is close to being every under 22 has a free bus pass. Young people over 12 also have the Young Scot brand on their card which brings further discounts from a range of service providers.

We surveyed young people in Dundee who currently have an NEC for free bus travel and 82% agreed that they can do more things since getting their cards, including additional education, sport and social activity. This is up from 57% the year before.

**3,153,583 free bus journeys were made by under-22 Dundee cardholders between the end of and March 2023.**

It is estimated based on the average fares the previous in 2021 before the scheme was introduced that this has saved families approximately £6m in travel costs in 2023/24.

There is a good working process for issuing new travel cards for children starting school and issuing replacement cards for P7 pupils when they transition to secondary school. Reaching out to entitled young people that have not yet acquired a free bus pass will continue.

## The Promise

The Annual Update on Our Promise Plan covering the period 2022-23 noted that 26 out of 34 actions (76%) had been fully implemented (Committee Report Number 295-2023). The remaining actions will remain priorities in the next 3-year plan for the period 2023-25, alongside a range of other actions designed to build on developments and continue to improve outcomes for children and young people on the edge of care and/or in care.

The number of children and young people in care continues to reduce and the balance of care continues to shift towards family-based settings.

Children and Families social work teams alongside partners supported 600 infants, children, young people and parents/carers on the edge of care. This included support from a New Beginnings Team to vulnerable pregnant women, where 90% of babies remained with their parents or extended families.

Other highlights of the report include the introduction of new Team Around the Child arrangements to enable the views of children, young people and parents/carers to be central to decision-making on the support they receive and a new Kinship Team to enhance support to Kinship Carers.

Over the next two years, priorities include the development of a consistent offer of support to families where children or young people are on the edge of care, the implementation of more forms of specialist family support and increasing the recruitment, support and retention of Foster Carers.

## Local Fairness Initiatives

Local Fairness Initiatives (LFI) are securing significant commitment across services. The Linlathen LFI is achieving greater impact due to the combining of the strategic and operational strengths of the Scottish Government, Social Security Scotland, Department for Work and Pensions and public and voluntary partners, and the complementary work of the Scottish Government sponsored Employability Pathfinder.

Reports on progress for the Local Fairness Initiatives in Linlathen and Stobswell West were presented to the Council Leadership Team and the Dundee Partnership Management Group in January and March 2024 respectively. These reported on additional advice and benefit support, community engagement and employability efforts. Strategic 'asks' were identified in relation to phase 2 of the LFI and these are being further developed with strategic partners.

## Budgeting

Despite the challenging budget situation every effort to protect and prioritise work to support families and tackle child poverty when managing the Council's budget. Council tax is being set at the same levels as last year and this will help to prevent added pressure on household finances during the cost of living crisis. This year's budget will also see no rise in the costs of school meals.



The 2024/25 budget sees a commitment of £2m worth of additional funding for Children's Services and £500,000 cost of living support. During the past year over £1.4m Scottish Welfare Fund has been allocated to 7,774 citizens in crisis or to support people to remain in their homes. Over £3.1m Discretionary Housing Payments were allocated to fully mitigate against bedroom tax/benefit cap to support households who are unable to pay their rent.

**To help families and children the Council Tax and the cost of school meals were frozen in the 2024/25 budget.**

### Mainstreaming Equality

The Council prioritises its equalities outcomes. We take a human rights approach in tackling inequalities, having particular regard to the UN Convention on the Rights of the Child (UNCRC). 100% of schools in Dundee are now engaging in the Rights Respecting schools programme.

### Positive Destinations for Young People 16-19

A Positive Destination Improvement Plan for those aged 16-19 has been developed by a partnership Task and Finish Group during 2023 with implementation from April 2024 and approved by the City Governance Committee on 22 April 2024.



A new Employability Pathway programme commences from April 2024 following a successful outcome to Discover Work's Challenge Fund 2024-2029, which resulted in funding award to All in Dundee – a consortium of Third Sector Employability Providers led by ENABLE Works in partnership with Alexander Community Developments, Barnardo's, Helm, One Parent Families Scotland, Street League, Volunteering Matters.

In addition, the Council's Corporate Employability Review is due to conclude with a new approach agreed for the delivery of Council employability support from Spring 2024. The Council's new approach will complement the outcome of the Challenge Fund and further support the vision and goals outlined in the Discover Work Strategy & Action Plan 2022 – 2027. All in Dundee has committed to flexibility, with a desire to deliver services in partnership with the Council including the 'Collaborative and Coordinated' aspects of the Challenge Fund.

**The latest data from Skills Development Scotland for the half year to Dec 2023 indicates Dundee is improving the positive destinations for young people in SIMD 1 is at 86.7% compared to 79.8% the same period the previous year.**

## Performance Scorecard

Priority	On Target	Within 5% of Target	Not on Target	Total	Improved or the same as last year (% of total)
<b>Reduce Child Poverty and Inequalities in Incomes, Education and Health</b>	3	3	3	6	4 (67%)

Most Improved PI's 	Most Deteriorating PI's 
% of 5-22 population who have free bus concession NEC smartcard (23%)	Increase the percentage of care experienced young people in positive destinations (-15%)
% Take Up of Free School Meals (2%)	Average Total Tariff for SIMD 1(-11%)
Improve the overall school attendance of all children and young people living in SIMD 1 (1%)	

Performance Indicator	-2 year	-1 year	Latest Figure	Current Year	Yr 3 (24/25)	Long Term Trend
	Data	Data	Data	Target	Target	
Improve the overall school attendance of all children and young people living in SIMD 1	87%	86%	87%	93%	95%	=
Average Total Tariff for SIMD 1	571	637	568*	605	660	▼
Increase the % of 16-19 year olds living in SIMD 1 areas participating in positive destinations. (Annual figure <1% difference = same)	85.4%	85.5%	86.7%**	86.5%	90%	▲
Increase the percentage of care experienced young people in positive destinations	100%	83.3%	71%*	92%	93%	▼
% Take up of free school meals entitlement P6 - S6	62%	65%	66%	65%	71%	▲
% of 5-22 population who have a free bus concession NEC smartcard	42%	73%	82%	75%	82%	▲

\* Data is a year behind i.e. current year data is for 2022/23

\*\* Data is half year to Dec 2023

Actions in the plan	Progress %	Due Date	Lead
Continue work to reduce the cost of the school day	75%	31 Mar 2027	CF
Implement the recommendations of The Promise to deliver the Scottish Government's commitment to care for Scotland's most vulnerable children and give them the best possible childhood.	76%	31 Mar 2032	CF
Increase the percentage of 16–19 year-olds participating in education, employment or training (See also Inclusive economic growth project – same project)	25%	31 Mar 2027	CD
Promote the uptake of concessionary travel scheme for young people, ensuring quick and easy access to entitlement	95%	31 Mar 2027	CEX
Expand our free early years education to all 1 and 2 year-olds, starting with children from low income households.	5%	31 Mar 2027	CF
Build on the United Nations Convention on the Rights of the Child #MakeItRight campaign encouraging young people to know about their rights under the UNCRC, and for adults and the public sector to help safeguard those rights.	30%	31 Mar 2027	CF
Prioritise welfare support grants to children and families.	70%	31 Mar 2027	CS
Maintain momentum in energy efficiency and wall insulation programmes to reduce fuel poverty for children and families.	60%	31 Mar 2027	NS
Deliver on the Mainstreaming Equalities Report Action Plan	50%	31 Mar 2025	CEX
Monitor progress of the Local Fairness Initiatives to ensure support and engagement across council services, as well as implementing changes to services or policies, as appropriate.	60%	31 Mar 2027	CEX

CD-City Development, CEX-Chief Executive Services, CF-Children and Families, CS-Corporate Services, NS-Neighbourhood Services



# Deliver Inclusive Economic Growth and Community Wealth Building

“Dundee will have a strong, creative, smart and sustainable city economy with jobs and opportunities for all.”

## Dundee Plans

- Raise Regional Productivity
- Close the Jobs Gap
- Reduce Unemployment
- Tay Cities Regional Economic Strategy & Action Plan
- Tay Cities Regional Deal Document
- Tay Cities Skills Investment Plan

## Strategic highlights from last year

- In April, a new plan, A Step Change on Positive Destinations for Young Dundonians was agreed. The Plan is designed to improve the participation of local 16-19 year-olds in education, employment or training. The new drive will aim to get more young Dundonians into positive destinations and improve their employability skills after they leave school. The Plan is based around 6 key themes:
  - Early Identification and Positive Destination Framework
  - Responsibility for Tracking and Monitoring Young People Post School
  - Integrated Approach to DATA and Funding to Inform and Drive Coordination
  - Post School Opportunities
  - Engaging Communities and Families
  - Additional Support Needs – A Key Challenge

Last year saw an increase in the percentage of all 16-19-year participating in positive destinations, at 91.2% the target of 91 has been exceeded

- The Waterfront development continues to attract and retain jobs. James Thomson House is the latest construction in the £26 million development at Dundee Waterfront. The building will provide 51,600 square feet of Grade A office accommodation when completed in 2025. The latest development under construction is on a site next to Agnes Husband House, which is the HQ for Social Security Scotland employing hundreds of staff and will be completed with sustainability in mind and is set to achieve EPC 'A' and BREEAM 'Excellent' environmental accreditation ratings.

- The Council funded Business Gateway Tayside Service continues to meet or exceed performance targets. Following withdrawal of DigitalBoost Funding by Scottish Government UK Shared Prosperity Funding is now being used to provide digital supports to SMEs in Tayside. The service supported 181 businesses into start-up in Dundee in the first 3 quarters of 2023/2024 with a further 75 supported to grow their businesses. A dedicated Community Outreach Adviser was appointed to provide outreach services to existing and prospective businesses that may not self-access Business Gateway services.
- Programme Management of Dundee's UK Shared Prosperity Fund allocation (the successor to EU Structural Funds) progressed throughout 2023/2024. Three Challenge Fund Rounds have been undertaken with funding awarded to 35 projects across the city to the value of £1.09 million supporting the economic regeneration and growth of the city. A 4th Challenge Fund was launched in February 2024.

## Actions in progress for completion 2024/25

There are no actions due to be complete in the year ahead but there are three that have assessed as 50% complete. These are:

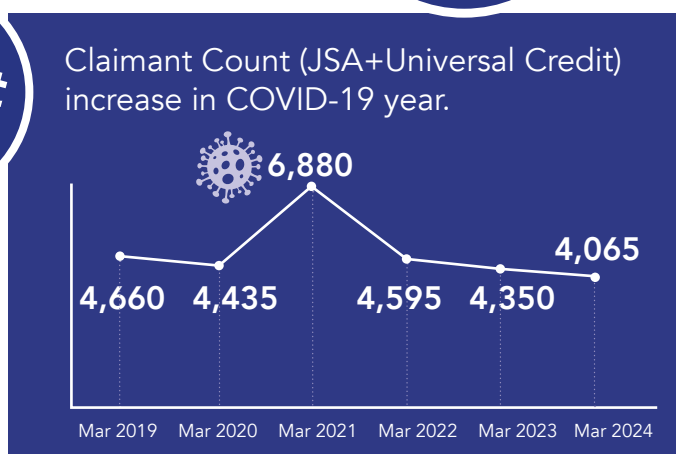
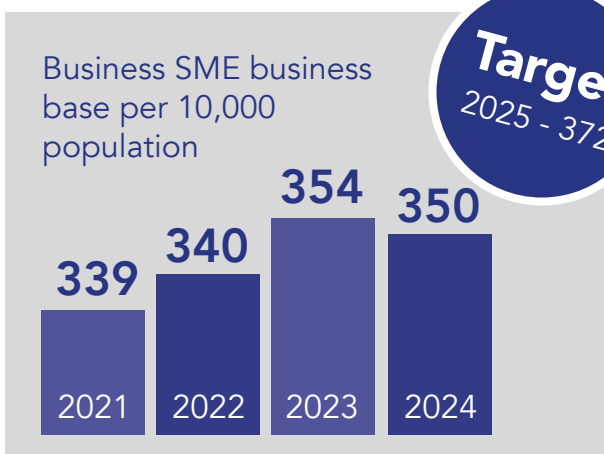
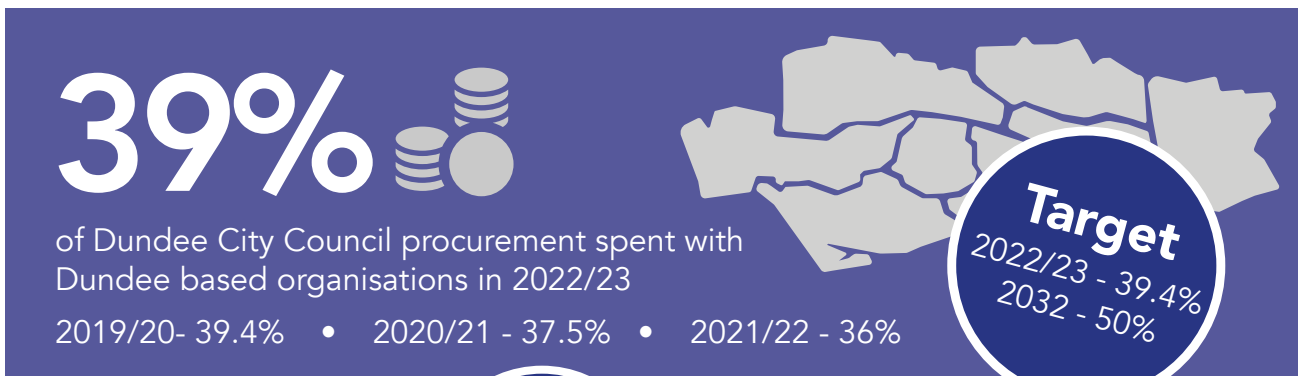
- Increase the percentage of care experienced young people in positive destinations.
- Increase the number of start-ups and SMEs in the city and support their expansion.
- Deliver an extensive community wealth building strategy, ensuring the maximum level of investment possible is retained within Dundee to support local jobs

## Actions overdue

- Deliver an extensive community wealth building strategy, ensuring the maximum level of investment possible is retained within Dundee to support local jobs.

## National Performance Framework (Aligning global, national and local aims)

The UN Sustainable Development Goals	The National Performance Framework	Council Plan Key Priority
	 <ul style="list-style-type: none"> <li>A globally competitive, entrepreneurial, inclusive and sustainable economy</li> <li>Thriving innovative business with fair and quality jobs for everyone</li> <li>Open connected and make a positive contribution internationally</li> </ul>	 <p>Deliver Inclusive Economic Growth (including Community Wealth Building)</p>



# Priorities in Action

## Promoting The City

Tourism contributed more than £284million to the Dundee economy last year. The annual Scottish Tourism Economic Activity Monitor (STEAM) report showed that more people came to the city, stayed for longer and spent more than in the last year before the Covid-19 pandemic. Overnight stays are up 19% on pre-Covid 2019 figures. A new Tourism Strategy has been drafted and has been presented to Tourism Leadership Group.

Dundee achieved successful and safe delivery of the Big Weekend over a glorious weekend in May 2023. Over 83,000 people enjoyed the festivities which resulted in a positive post-event evaluation with estimated £3.7m economic impact.

Arrangements have been secured for the region to host 20 international conferences with 3,312 delegates for 3-5 nights, generating £5.4m with support from the Convention Bureau.

- 27 partners are offering year-round discounts on local experiences, services, and products to conference attendees and their companions through the 2024 Exclusive Offers Programme.
- 34 venue, accommodation and service provider partners have engaged in Dundee City Region Convention Bureau membership for 2024/25.

West End in Dundee has been named as a regional winner for best place to live in Scotland 2024 by The Sunday Times. Described as arty, lively and affordable, with fine food and regular festivals and events. This is great recognition for the City.

Boat tour firm SaltDog Marine confirmed the boat shuttle between Broughty Ferry and Tayport is to run all year. The five-minute cross Tay trips are set to stay after a successful trial period – good for hospitality businesses on either side of the Tay.

City Centre Management delivered the successful pilot of the waste management scheme, reducing unsightly waste on city centre streets. 300 bins which were permanently stored on public streets have been removed and are now only presented at specific slots.

**West End in Dundee has been named as a regional winner for best place to live in Scotland 2024.**

## Growing Jobs in the Waterfront

The Waterfront development continues to attract and retain jobs. James Thomson House is the latest construction in the £26 million development at Dundee Waterfront. The building will provide 51,600 square feet of Grade A office accommodation when completed in 2025. The latest development under construction is on a site next to Agnes Husband House, which is the HQ for Social Security Scotland employing hundreds of staff and will be completed with sustainability in mind and is set to achieve EPC 'A' and BREEAM 'Excellent' environmental accreditation ratings.

Once complete next year, the new BT Dundee office will be equipped with the latest state-of-the-art technology, feature a range of communal and collaborative spaces and areas for colleagues to socialise in as well as a games area and an in-house coffee shop. The building will also be one of the most sustainable offices in the city with features like EV chargers and a brown roof that will self-vegetate from windblown and bird seed dispersal ensuring the buildings' impact on the environment will be minimal. The office will also help to encourage active travel, supporting colleagues who chose to cycle to work with showers and clothes drying facilities.

A planned programme of community wealth building activities during the construction phase will bring further benefits to the area. This includes employability support for unemployed people, education visits and maximising opportunities for local suppliers and sub-contractors.

## Supporting Start Up Businesses and SMEs

Business Gateway Tayside Service continues to meet or exceed performance targets. Following withdrawal of DigitalBoost Funding by Scottish Government UK Shared Prosperity Funding is now being used to provide digital supports to SMEs in Tayside. The Dundee Business Growth and Innovation Grant has also been deployed to provide financial support to growing businesses and support company growth and job creation in the city. UK Share Prosperity Funding is being used to fund an Overseas Market Development Grant and Small Business Development Grant supporting business growth, development and transformation.

- Business Gateway-supported businesses are projected to create at least 1,151 jobs for Dundee over the next three years.
- Over the last year, 690 new Tayside businesses have been supported (102% of the annual target) Of these, 242 are located in Dundee (35% of the Tayside total). Growth Services: 275
- Tayside businesses accessing growth support services 2023 to 2024 (100% of the annual target).Of these, 112 are located in Dundee (41% of Tayside's total).

Techscaler Dundee is the latest addition to the support landscape offering support to grow the Tech ecosystem.

New Innovation Facilities have been developed at Michelin Scotland Innovation Park (MSIP) and 2 Innovation Challenges have been undertaken around sustainability.



The Transform Business Festival was held in Perth in February. Nearly 200 people attended to hear a number of speakers cover subjects including recruitment and retention, strategy, PR artificial intelligence, recruiting a winning sales team, how games design is used in business, going for net zero, cybersecurity, finance, understanding your employee.

### **Employment pathways for unemployed people and 16-19 positive destinations**

Although last year saw an increase in the percentage of all 16-19-year participating in positive destinations, at 91.2% the target of 91% has been exceeded. However, positive destinations remains a key area of improvement for Dundee. Although the data has shown improvement on this for all young people, including those living in SIMD 1 areas, Dundee is still the local authority with the lowest participation in positive destination rates for 16–19-year-olds in Scotland.

A Positive Destination Improvement Plan for those aged 16-19 was implemented in April. The Plan was developed by a partnership Task and Finish Group and the partnership's report was presented to City Governance Committee in April.

A new Employability Pathway programme commenced in April following a successful bid to Discover Work's Challenge Fund 2024-2029. The funding award was made to All in Dundee: A consortium of Third Sector Employability Providers led by ENABLE. Members of the consortium include Alexander Community Developments, Barnardo's, Helm, One Parent Families Scotland, Street League, Volunteering Matters.

The Council's Corporate Employability Review has been concluded with a new approach agreed for the delivery of Council employability support from Spring 2024. The Council's new approach will complement the outcome of the Challenge Fund and further support the vision and goals outlined in the Discover Work Strategy & Action Plan 2022 – 2027.

All in Dundee is committed to deliver flexible services in partnership with the Council including the 'Collaborative and Coordinated' aspects of the Challenge Fund.

Significant improvements in performance have been delivered by the Employability Pathway programme since 2019. 75% customers have progressed into employment, further education, or training (compared to 34% prior to 2019). Of the customers who entered employment, 61% remain in employment after 12 months.

**75% of 992 employability pathway customers progressed into employment, education, or training.**

## Long-term City Centre Investment Plan to deliver a vibrant City Centre

The City Centre Strategic Investment Plan 2050 is an ambitious 30-year plan to steer development and investment opportunities for Dundee city centre. It sets out a vision for the city centre as an exciting, growing place to live, work and visit.

The £2M City Centre Investment Programme will include:

- The Commercial Waste Pilot for city streets was successful and this programme is now permanent.
- Façade Enhancement Grants are available for businesses in Union Street and a £1m Capital Works programme has been announced for the Eastern Quarter (Murraygate & Seagate).
- City Dressing will create distinct city centre spaces in key streets. Shop improvement treatments continue on a number of vacant units in the city centre.
- Preliminary works have been completed at McManus & work on a City Centre Lighting Masterplan is underway.
- Dundee Loves Local continues to see increase in consumer and corporate spend as well as new businesses joining.
- New business openings in city centre include:
  - House of Hannah, Whitehall Crescent;
  - Bee Inspired, Overgate;
  - Waterlilly, Wellgate;
  - Cupp, Reform Street;
  - R&R Barbers and Tom's Salon, Union Street;
  - Belvoir Lettings, Crichton Street.

Dundee City Council has been working with the DLUHC Team to develop the delivery approach for the £20M Levelling Up Partnership. Key stakeholders across the city have been engaged in discussion with the UK Government. Plans for the 2025/26 capital spend are due to be announced. Work has started on the £16M levelling up fund project for the Multi-Modal Transport Hub at Bell Street.

## Community Wealth Building plan

In February, the largest Meet the Buyer Tayside Event delivered to date, was held in Dundee. With over 300 attendees, 86% felt they were more likely to bid for contracts and 82% felt more capable of bidding for contracts after attending.

A Community Wealth Building Procurement Working Group has been established. Anchor network partners are undertaking an exercise to map local, regional and national spend across the partnership with commitments to look to grow local spend.

Research on Inclusive Ownership has been undertaken. The project mapped local social enterprises, employee owned and cooperative business and the support available to generative business types.

In March the Living Wage Partnership Celebrated 5 years since Dundee was named as the UKs first Living Wage place and a celebration event was held in May.

### **Community Wealth Building activity planned for the coming year includes:**

Dundee City Council will develop a Community Wealth Building Strategy, including a refreshed and simplified action plan with easily to understand reporting outcomes which can be used with a range of groups including communities.

- Submit paper to Dundee Partnership Management Group requesting adoption of the Community Wealth Building Partners Charter and tasking to the Inclusive Growth Strategic Leadership Group
- Consider any necessary alignment with NHS Anchors Strategy Reporting Requirements (recognising that this is being led by public health colleagues not those currently engaged in Dundee Partnership Structures)
- Continue to take forward DCC Specific Action plans and approve the creation of thematic Community Wealth Building partnerships working groups in key areas.

Community Wishes community benefits portal will launch in the summer. The portal will link small project requests from communities with their contracted providers.



The Community Wealth Building Land and Assets Working group will develop a Land and Assets Strategy to refresh the approach to the use of council land and property.





A Community Wealth Building National Network will be established to shared good practice.

**Dundee City Council is embarking on an exciting process to further develop the approach to Community Wealth Building for the city.**

## Performance Scorecard

Priority	On Target	Within 5% of Target	Not on Target	Total	Improved or the same as last year (% of total)
<b>Deliver Inclusive Economic Growth</b>	4	4	0	4	3 (75%)

Most Improved PI's 	Most Deteriorating PI's 
Visitor numbers to Dundee (000s) compared to 2020/21 (9%)	SME Business base per head of 10,000 working age population Businesses compared to 2020/21(-1%)
Increase the percentage of Dundee City Council Procurement spent with Dundee based organisations (8%)	
Increase the percentage of all 16-19-year participating in positive destinations compared to 2020/21 (2%)	

Performance Indicator	-2 year	-1 year	Latest Figure	Current Year	Yr 3 (24/25)	Long Term Trend
	Data	Data	Data	Target	Target	
Increase the percentage of all 16-19-year participating in positive destinations	90.0%	89.4%	91.2%*	91%	92%	
Increase the percentage of Dundee City Council Procurement spent with Dundee based organisations	37.5%	36.1%	39%*	39.4%	41%	
SME Business base per head of 10,000 working age population Businesses	340	353.8	349.8	350	372	
Visitor numbers to Dundee per 1,000 population	650	1249	1357	682	752	

\* Data is a year behind i.e. current year data is for 2022/23

Actions in the plan	Progress %	Due Date	Lead
Implement the long-term City Centre Investment Plan to deliver a vibrant City Centre	25%	31 Mar 2027	CD
Continue to grow the number of jobs within Dundee Waterfront	40%	31 Mar 2027	CD
Maximise apprenticeship opportunities within the Council and working with schools to promote the Council as an employer of choice	25%	31 Mar 2027	CS
Increase and enhance employment pathways, in particular supporting around 11,000 economically inactive people towards job seeking and 16–19-year-olds into positive destinations	25%	31 Mar 2027	CD
Increase the number of start-ups and SMEs in the city and support their expansion	50%	31 Mar 2027	CD
Deliver an extensive community wealth building strategy, ensuring the maximum level of investment possible is retained within Dundee to support local jobs	50%	31 Mar 2024	CS
Increase the percentage of care experienced young people in positive destinations	67%	31 Mar 2032	CF
Increase the percentage of Dundee City Council Procurement spent with Dundee based organisations	39%	31 Mar 2027	CS
Continue to raise the profile of the city through a range of marketing activities, promoting key messages, assets and opportunities to businesses, investors, developers and visitors	40%	31 Mar 2027	CD

CD-City Development, CEX-Chief Executive Services, CF-Children and Families, CS-Corporate Services, NS-Neighbourhood Services

# Tackle Climate Change and Achieve Net Zero by 2045



“Dundee will be a greener city, made up of strong communities where people feel empowered, safe and proud to live.”

## Dundee Plans

The Council has several plans and strategies that will be focussed on tackling climate change and reaching net zero by 2045. These include:

- Dundee Climate Action Plan
- Regional Transport Strategy
- Waste and Recycling Strategy Action Plan 2020-25
- Dundee Biodiversity Action Plan 2020-30
- Local Food Growing Strategy

## Strategic highlights from last year

- Preparations for the LEZ were completed in advance of the enforcement commencement date in May 2024.
- Round two of the Dundee Climate Fund participatory budgeting was a success with a total of 10 local projects benefiting from a share of £365,000. Voting closed after seven weeks and 4758 votes were cast, an increase of more than 300 votes from the previous year. Applications for Round three have opened on Dundee’s Voice.
- Dundee was recognised as one of 119 cities across the globe that are taking bold leadership on environmental action and transparency, despite the challenging global economic situation. The charity CDP gave the city an A rating in its rankings based on actions being taken to tackle climate change. Only 26 UK local authorities achieved the highest rating, with Dundee, Perth & Kinross and Edinburgh as the only Scottish recipients.
- The new path linking Broughty Ferry to Monifieth has opened. Following along [National Cycle Network Route 1](#), the £18m project will provide a safe and direct walking, wheeling and cycling option for residents and visitors to the area. The 2.5-mile long off-road path is already proving popular, with more people than ever able to leave the car at home for short, everyday journeys. Funding for the project was received through [Places for Everyone](#), an active travel infrastructure programme backed by [Transport Scotland](#) and managed by Sustrans.

- Dundee City Council Net Zero Transition Plan was approved at Committee and published in November 23, outlining our organisation goals and actions to lead us to Net Zero emissions by 2038. This was a culmination of 18 months' collaboration across the seven Council services, with actions codesigned on the topics of Emissions, Circular Economy, Climate Resilience and Just Transition. Implementation has commenced with Governance, Monitoring and reporting Frameworks being agreed with services.

## Actions completed

- Deliver the Low Emission Zone to improve air quality (LEZ)

## Actions in progress for completion 2024/25

**There are no actions due to be complete in the year ahead but there are five that have assessed as 50% complete. These are:**

- Develop and implement a Net Zero Transition Plan and Carbon Budget for DCC
- Embed a Cycle Network Plan within the Local Development Plan
- Deliver Scotland's first council-led green participatory budgeting initiative – Dundee Climate Fund
- Develop a citywide Local Area Energy Plan (LAEP) and Local Heat & Energy Efficiency Strategy in partnership with the Dundee Climate Leadership Group.

## National Performance Framework (Aligning global, national and local aims)



Dundee City Council's Carbon emissions is down by:

4,438

2021/22 - 28,270 tCO<sub>2</sub>e • 2022/23 - 24,413 tCO<sub>2</sub>e



**Target**  
2022/23-26,990  
2024/25-23,530

Dundee energy consumption in buildings goes down in 2022/23.

2020/21 - 20,191 tCO<sub>2</sub>  
2021/22 - 20,823 tCO<sub>2</sub>  
2022/23 - 17,562 tCO<sub>2</sub>

**Target**  
2022/23-19,781  
2024/25-17,857



28%

cycle in Dundee

**Target**  
2032  
40%



4758

votes cast for 10 Dundee Climate Fund projects.

Dundee's recycling rate has increased in 2022/23.

2020/21 - 34.7%  
2021/22 - 32.7%  
2022/23 - 33.8%

**Target**  
2024/25  
41%





# Priorities in Action

## Low emission zone delivery

The Dundee Low Emission Scheme was introduced on 31 May 2022 after Scottish Ministerial approval for the proposed scheme was received. A two-year grace period from enforcement of the LEZ requirements was in place until 30 May 2024. All on-street enforcement infrastructure, LEZ signage installation and testing of back-office enforcement systems were completed in advance of the enforcement commencement date.

As a city this has meant that we have been able to bring commercial transport companies with us and welcome the investment that has been made in new buses and lots of newer taxis that are already compliant with the requirements of the LEZ.

The LEZ will contribute to the broader city objectives and the vision to create a healthy, vibrant and attractive city by protecting public health through improving air quality in Dundee and achieving air quality compliance for NO<sub>2</sub>, PM<sub>10</sub> and PM<sub>2.5</sub>.

## Active Travel

Dundee City Council Sustainable Transport and Roads team have developed a 10-year Sustainable Transport Delivery plan that includes detailing a planned network of strategic 'Active Freeway' routes in the city. The concept aims to encourage people to make their journeys by walking, wheeling and cycling by providing active travel infrastructure on high-demand travel routes. The plan is now in the implementation phase with the path linking the coastal areas of Broughty Ferry and Monifieth opening in the Spring of 2024.

A further five primary schools joined the growing number of school street exclusion zones. Eastern, Mill O Mains, Clepington, St Pius and St Ninians Primaries bring the list of schools taking part to 13. Active travel route improvements will continue to be developed at Dundee's eight secondary schools as part of School Travel Plans.

The Council completed a Strategic Transport Appraisal of bus priority corridors where journey time reliability could be improved and undertaken route appraisals of the City's six key strategic corridors with development of concept designs for high-quality Active Freeways aimed to encourage more people to walk, wheel and cycle.

Further cycle parking has been installed across a number of schools, communities and district centres.

## Dundee Climate Fund

Scotland's first council-led green participatory budgeting initiative speaks volumes about the creative and environmentally conscious thinking that goes on in Dundee. After the success of year one, a further 10 projects were supported with funding in 2023/24 and round 3 has already opened and inviting applications from local projects.

**10 projects share £365,000 after 4758 votes cast in the Climate Change Fund Round 2 of participatory budgeting.**

## Reduce waste, and reuse or recycle more

In an approach to reach the ambitious recycling target and turnaround the rate of recycling in the city, the Council is progressing with its action plan to reduce waste as well as improve recycling and reuse. Progress continues to be challenging following the pandemic, the economic downturn and the level of waste arising. Signs are showing this has stabilised with the overall recycling rate improving. Landfill rates are now at an all time low with less than 4% of all residual waste going to landfill and the remainder being used to provide energy through the Council's energy from waste facility.

City Centre Management delivered the successful pilot of the waste management scheme, reducing unsightly waste on city centre streets. 300 bins which were permanently stored on public streets have been removed and are now only presented at specific slots.

## Pedestrianised areas, pocket parks and empowered communities

This action promotes further development of pedestrianised areas (former roads now restricted to pedestrians) alongside other initiatives that transform spaces from car to community, social and biodiversity use. Along with partners including UNESCO City of Design, Dundee City Council has successfully made use of the Sustrans Spaces for People funding programme to transform areas of the city. These developments have also given local people and businesses the opportunity to engage in the design and implementation of the initiatives.

### Projects which have been completed include:

- The planting of 28,000 native trees in Spring 2023 adding a significant area to the woodland habitat within Dundee. A successful application to the Nature Restoration Fund led to the £300,000 project creating 12 hectares of native woodlands at Riverside Nature Park, Balgay Hill and an area adjacent to Clatto Country Park.
- Through tackling the Ash Dieback fungal disease, a GIS-based tree management platform has been developed containing a two-year survey of 3,200 ash trees on council property in the city. Dundee City Council is leading the way in Scotland on this work, and has identified £400,000 for subsequent survey and felling contractor services to successfully manage the disease.
- The £1.2 million project to transform an area of Camperdown Park into the Camperdown Growing Hub, a functional food growing area, was realised in 2023 with the completion of its 'climate-friendly' building.
- In addition to existing meadows in park and greenspaces, EDEN have established 3.3 hectares in Council-owned spaces, the Broughty Ferry and Monifieth Active Travel Project also includes the creation of 3 hectares of native coastal grassland. Over 50,000 native bulbs have been planted, as well as 10,000 pollinator-friendly allium bulbs.
- Building on the success of previous reporting periods, the Council has reduced its herbicide usage by a further 45%, achieving an overall reduction of 65% since 2018.

- Community engagement has been an important part of delivering on biodiversity action with over 4,000 hours of greenspace volunteering completed, 1,800 schoolchildren visited greenspaces, 50 hours of STEM teacher-training was delivered, and 169 litter picks were carried out by communities and volunteers.
- The work carried out also received wider recognition as the Council received the Wright Sustainability Trophy, Bonnie Dundee received the Beautiful Scotland Gold Medal Award, while seven Green Flags, a Scotland's Beach Award, and Dundee groups received It's Your Neighbourhood awards during this period also.
- Union Street has been transformed into a colourful and vibrant pedestrian area.
- Pocket parks have been established in Stobswell (Eliza and Craigie Streets).
- Sinderins, Pennycook Lane, Millers Wynd: completion of environmental improvements.
- Broughty Ferry to Monifieth Active Travel scheme launched in May.
- Improvements to Castle Green / Windmill Gardens recently completed.
- Douglas Park – installation of MUGA and lighting through Douglas Community Spaces Group and new growing beds and water supply at the Community Garden.

**The following projects continue to be progressed:**



- City Centre Eastern Quarter: £1m Place Based Investment Fund. Master planning due to commence.
- Commercial St / Murraygate: traffic calming / resurfacing works are almost complete
- City Centre: Active Travel infrastructure proposals being developed for 'Green Hub and Spoke' project.
- COVID memorial garden – plans continue to be developed (partners V&A and L&CD) at Moncur Crescent.
- Lochee High Street – planned improvements to streetscape including public art and a community-led heritage Trail.
- Kirkton – community partnership progressing environmental improvements in partnership with DCC.
- Wee Forest installed by community and Dundee Botanic Garden.





In addition to the above, the action recognises the ability of supported communities to be partners and leaders on local plans and initiatives which diversify greenspaces. To that extent Local Community Planning Partnerships have actions in their Local Community Plans to focus on the opportunities that local green and open spaces present locally which further the wider biodiversity and community food growing aspirations of the city. Projects completed with community engagement include:

- Three play trails installed in Linlathen.
- Environmental improvements to Beechwood, Balgarthno and Myrekirk Parks.

## Performance Scorecard

Priority	On Target	Within 5% of Target	Not on Target	Total	Improved or the same as last year (% of total)
<b>Tackle Climate Change and Reach Net Zero Emissions by 2045</b>	2	2	2	4	3 (75%)

Most Improved PI's 	Most Deteriorating PI's 
Reduce energy consumption in Council buildings tCO <sub>2</sub> (-16%)	Measure of cycling in the city (-13%)
Reduce Dundee City Council's corporate emissions (Carbon Footprint) towards net zero tCO <sub>2</sub> e (-14%)	
Increase the percentage of waste arising recycled within the city (3%)	

Performance Indicator	-2 year	-1 year	Latest Figure	Current Year	Yr 3 Target	Long Term Trend
	Data	Data	Data	Target	Target	
Reduce Dundee City Council's corporate emissions (Carbon Footprint ) towards net zero tCO <sub>2</sub> e	28,851	28,270	24413*	26,990	23,530	
Reduce energy consumption in Council buildings tCO <sub>2</sub> (5% reduction pa)	20,191	20,823	17562*	19,781	17,853	
Increase the percentage of waste arising recycled within the city	34.7%	32.7%	33.8%*	37	41	
Measure of cycling in the city	32%	32%	28%	32%	36%	

\* Data is a year behind i.e. current year data is for 2022/23

Actions in the plan	Progress %	Due Date	Lead
Provide further opportunities for pedestrianised areas, pocket-parks and support empowered communities to be partners and leaders on local plans and initiatives to develop biodiversity, local food growing and community spaces	40%	31 Mar 2027	NS
Deliver the action plan to reduce waste, and reuse or recycle more	45%	31 Mar 2027	NS
Deliver Scotland's first council-led green participatory budgeting initiative – Dundee Climate Fund	70%	31 Mar 2027	CD
Deliver the Low Emission Zone to improve air quality (LEZ)	100%	31 Mar 2024	NS
Develop a city wide Local Area Energy Plan and Local Heat & Energy Efficiency Strategy in partnership with the Dundee Climate Leadership Group	90%	31 Mar 2027	CD
Develop and implement a Net Zero Transition Plan and Carbon Budget for DCC	88%	31 Mar 2027	CD
Support the Scottish Government's plans to invest £500 million nationally over the next 5 years to support walking, wheeling and cycling infrastructure	10%	31 Mar 2027	CD
Expand the rollout of 'safer school streets' initiative	30%	31 Mar 2027	CD
Embed a Cycle Network Plan within the Local Development Plan	75%	31 Mar 2027	CD

CD-City Development, CEX-Chief Executive Services, CF-Children and Families, CS-Corporate Services, NS-Neighbourhood Services

# Building Resilient and Empowered Communities



“Dundee will be a greener city, made up of strong communities where people feel empowered, safe and proud to live.”

## Dundee Plans

- Strategic Housing Investment Plan 2023-28
- Local Housing Strategy 2019-24
- Rapid Rehousing Transition Plan
- Tenant Participation Strategy
- Community Learning & Development Plan 2019-24
- Dundee Community Safety Outcome Improvement Plan
- Dundee Cycle Strategy 2019
- Local Community Plans 2022-2027
- Working with local communities to support the growth of 20-minute Neighbourhoods

## Strategic highlights from last year

- City Centre Strategic Investment Plan 2050 was agreed in November 2023. The plan sets out an ambitious 30-year vision to regenerate this key part of the city and help it grow as a strong community. The plan has been developed around the five themes of Living, Working, Visiting, Connectivity and Public Realm. For each theme, an ambition statement, strategic outcomes and a range of short, medium and long-term actions is set out.
- For the first time, the Council has surpassed the target of 200 per annum for council and registered social landlord housing completions. A total of 264 affordable homes were completed during 2023/24, a rise of 161% from the previous year.
- Housing and Construction have recently completed an Energy Efficiency and Net Zero Strategy with the aim to ensure that our housing stock meets, or can be treated as meeting, EPC band B (Energy Efficiency rating), or as energy efficient as practically possible, by the end of December 2045 and within the limits of cost, technology, and necessary consent. In addition, to explore all options and, where viable, install alternative heat solutions with a view to decarbonising heat sources across the Housing portfolio, ensuring best value for the Council and tenants.

- The Best Value Audit published in November 2023 found that community empowerment is strongly reflected in the Council's plans and found evidence the Council has a strong focus on community engagement. The Council is 0.1% away from meeting the target of 1% of the budget being allocated via participatory budgeting. The Council Plan sets out clear aims to maximise participatory budgeting in all forms.
- The Community Learning and Development Plan 2021-24 seeks to create stronger, more resilient, supportive, influential and inclusive communities through partnership working. A progress report in October 2023 highlighted a number of achievements, including:
  - 2,596 young people directly supported by Community Learning and Development Youth Teams.
  - Over 1,000 adults participated in a range of learning for English for Speakers of Other Languages (ESOL).
  - £1m funding to help adult learners improve their everyday numeracy skills.
  - Scotland's first recovery network set up in Coldsides to help people with lived experience integrate into community groups.
  - The Linlathen Employability pathfinder set up to identify additional support that can be offered to people in-work who are also struggling with the impact of the Cost-of Living crisis
- HM Inspectors visited Dundee City Council to undertake a community learning and development (CLD) progress visit during January 2024. Education Scotland found that Strategic and local partners and community members in Dundee collaborate very well to co-develop and co-deliver programmes and activities. The focus on identifying and target resources to small geographical areas to support those most in need is starting to benefit local residents. Local people feel listened to and valued. Across Dundee, local Community Planning Partnerships are active and engaged. Each area has a well-developed action plan. Their work is informed well by key data such as the Scottish Index of Multiple Deprivation and other local intelligence. Members of the Community Health Advisory Forum are representing the most disadvantaged communities in Dundee and this is leading to improved health and wellbeing outcomes.

## Actions in progress for completion 2024/25

There are no actions due to be complete in the year ahead. Four actions due for completion in 2026/27 are already more than 50% complete. These are:

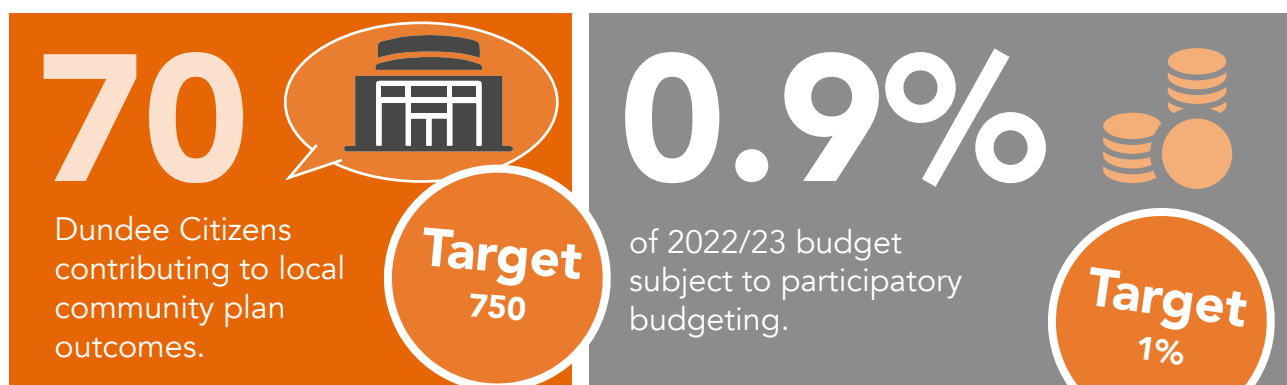
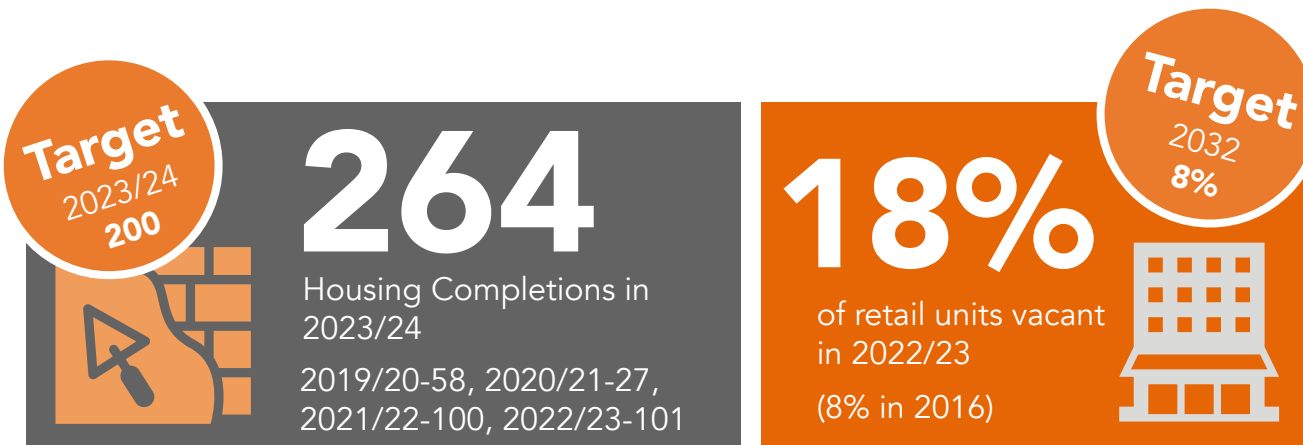
- Working with the Scottish Government on a Local Democracy Bill to further empower councils and communities.
- Increase community ownership of Council owned assets.
- Maximise participatory budgeting in all forms.
- Community Hubs

## National Performance Framework

(Aligning global, national and local aims)

The UN Sustainable Development Goals	The National Performance Framework		Council Plan Key Priority
	<p> We are well educated, skilled and able to contribute to society</p> <p> We grow up loved, safe and respected so that we realise our full potential</p> <p> We are healthy and active</p> <p> We protect human rights and live free from discrimination</p>	<p> We are creative and our vibrant diverse cultures are expressed and enjoyed</p> <p> Tackle poverty by sharing wealth, opportunity and power more equally</p> <p> We live in communities that are inclusive, empowered, resilient and safe</p>	<p> Reduce child poverty and inequalities in incomes, education and health</p> <p> Resilient and Empowered Communities</p> <p> Design a Modern Council</p>
	<p> A globally competitive, entrepreneurial, inclusive and sustainable economy</p> <p> Thriving innovative business with fair and quality jobs for everyone</p> <p> Open connected and make a positive contribution internationally</p>		<p> Deliver Inclusive Economic Growth (including Community Wealth Building)</p>
	<p> We value, enjoy, protect and enhance our environment</p>		<p> Tackle Climate Change and reach Net Zero emissions by 2045</p>





# Priorities in Action

## Building Quality Social Housing

A key priority within the Council Plan is the delivery of more social and affordable housing. The aim is the delivery of 1000 homes over a 5-year period or the target of 200 per annum which is being delivered through the Strategic Housing Investment Programme (SHIP). The rate of completions increased by 161% during 2023/24, surpassing the 200 target for the first time and achieving the highest level of house completions in more than a decade. The Scottish Government's Affordable Housing Investment Programme has contributed over £89.1 million to the city for the period of 2022 to 2027.

Affordable homes are being delivered on ten different sites, including Ellengowan Drive, South Victoria Dock Road, and the former Primary Schools of Charleston and St Vincent's. This will give us more homes fit for the 21st century that people want to live in.

The Plan includes additional accessible housing for adults with either learning disabilities, physical disabilities or mental health disabilities, to allow them to receive the appropriate care and support that they need within their local community.

## Local Community Planning

Since the launch of the eight Local Community Plans in December 2022, Local Community Planning Partnerships are preparing the first annual progress reports on how they are reducing inequalities in their communities.

The five broad Community Priorities within each plan were identified from listening to community members. These are: empowering communities, the cost of living, health & wellbeing, children & families, and climate change.

During the year 10,729 people responded to events and surveys. CLD staff routinely consult with communities on a range of community priorities. The high figure for last year reflects a significant amount of work done through the two local fairness initiatives in Linlathen and Stobswell West where communities were consulted on what would make the biggest impact on their lives.

In Kirkton and Charleston What Matters to You has seen CLD staff engage with children and families and young people on what would make the biggest positive change in their lives. This work is being supported by WM2U nationally and is pulling new funding into the city to support this agenda. In addition, CLD workers are speaking to people about local issues such as parks and green spaces, active travel and community safety as prompted via the Local Community Planning Partnership's priorities.

**10,729 engagements in local community planning and growing.**

## Participatory budgeting

There has been widespread citizen involvement in setting priorities across all service areas with citizen choices influencing decisions on spend. Methods for engagement include online, face to face, focus groups, workshops as well as large scale community consultations.

The approach to participatory budgeting is based on the ladder of citizen participation, but also includes three key principles. Partnership, delegated power and citizen control. Community control has been exercised with citizen involvement in the allocation of the Community Regeneration Fund. This process is testing the use of the digital platform Consul to support wider citizen involvement.

There has been a focused approach on key areas of the city such as the city centre and streets around schools as well as a wide programme of community involvement and influence around environmental and green space. Environment and green space were highlighted as a priority area improvement for community in the development of Dundee's locality plans and community involvement in influencing spend has involved large numbers of people.

The Drugs and Alcohol partnership tested the allocation of a devolved locality budget to each of the 8-ward based Local Community Planning Partnerships to look at community led and influenced spend. This was very positively evaluated and is being continued in 23/24.

Dundee's Voice is developing into one of the main channels for open dialogue with citizens and community involvement that will influence and shape what developments in Dundee. The Dundee Climate Fund 3.0 is now open for applications and awards will be made to successful projects after citizens cast their votes in Dundee's Voice.

## Community Hubs

The East End Community Campus project remains on programme for completion in Spring/Summer of 2025 to enable opening of the new campus in August 2025.

## Community Asset Transfer

This work has now been embedded in the Land & Asset Pillar of Community Wealth Building. Officers are now working through the detail of a process to increase the speed and transparency of decision making. A trial "quick win" process has resulted in two recommendations for asset transfer during a period of months as opposed to zero transfers in the previous three years.

## 20 Minute Neighbourhoods

Evidence gathering has formally commenced and the Council will engage on Topic Papers over summer 2024, aiming to prepare the Evidence Report for submission to Scottish Ministers early in 2025. This includes work already carried out on mapping the city in relation to local living challenges and opportunities to provide an evidence base for future LDP policy interventions.

## Investing in the School Estate

Significant investment has continued to be made in the past year upgrading schools and nurseries across the city. The school estate is in a good position, this in part is due to a series of works carried out in the past year, including a new build programme, maintenance works, and a programme of general works. These improvements include the ongoing work to replace Craigie High School and Braeview Academy with a new purpose-built community campus facility. Work started in Spring 2023 and is due to be completed in 2025.

Barnhill, Craigiebarns and Eastern Primary Schools are all currently graded as C for condition. Work is being planned over the coming financial years to improve these gradings and restore these schools to grade B. Planned works will include window replacement, roof replacement, toilet refurbishments, rewire and lighting upgrades, and heating services upgrades.

The proposed investment in the school estate for session 2024/25 will be around £1.9m. In the last year, this Process of investment has recently restored the grade B status to St Ninians Primary School and St Pius Primary School. In addition, the Harris Academy extension commenced in January 2023, and completed on programme and budget in December 2023.

## Turning vacant to vibrant



The Council is committed to bringing vacant spaces in town and district centres back to life to make Dundee a vibrant city centre. However, vacancy rates have increased from 13.8% to 18% over the past year. New openings in city centre over the last year include House of Hannah, Whitehall Crescent; Bee Inspired, Overgate; Waterlilly, Wellgate; Cupp, Reform Street; R&R Barbers and Tom's Salon, Union Street; Belvoir Lettings, Crichton Street.




Dundee Loves Local continues to see increase in consumer and corporate spend as well as new businesses joining.

The City Centre Strategic Investment Plan will deliver a £2m Investment Programme to the city centre. Current and planned developments for the city centre include: City Streets – Commercial Waste Pilot is now permanent as of 1st March 2024 ; Façade Enhancement Grants in Union Street and £1m Capital Works announced for Eastern Quarter (Murraygate & Seagate). City Dressing to create distinct city centre spaces in key streets. Shop improvement treatments continue on a number of vacant units. City Lights, preliminary works complete at McManus and a City Centre Lighting Masterplan is being developed.

## Performance Scorecard

Priority	On Target	Within 5% of Target	Not on Target	Total	Improved or the same as last year (% of total)
<b>Build Resilient and Empowered Communities</b>	3	3	2	5	3 (60%)

Most Improved PI's 	Most Deteriorating PI's 
Number of Council and Registered Social Landlord housing completions (161%)	Empty retail unit rate (30%)
The percentage of Council budget allocated by participatory budgeting processes (50%)	
Number of Dundee Citizens contributing to local community plan outcomes (41%)	

Performance Indicator	-2 year	-1 year	Latest Figure	Current Year	Year 3 (24/25)	Long Term Trend
	Data	Data	Data	Target	Target	
The percentage of Council budget allocated by participatory budgeting processes	n/a	0.6%	0.9%*	0.7%	1%	n/a**
Empty retail unit rate	13	13.8	18*	12	11.1	
Number of Council and Registered Social Landlord housing completions	100	101	264	200	200	
Number of antisocial behaviour complaints	1,522	1,470	1,302	1,492	1,432	
Number of Dundee Citizens contributing to local community plan outcomes	n/a	502	708	750	1000	n/a**

\* Data is a year behind i.e. current year data is for 2022/23

\*\* Long term trend unavailable

Actions in the plan	Progress %	Due Date	Lead
Work with Scottish Government on a Local Democracy Bill to further empower councils and local communities.	50%	31 Mar 2027	CEX
Maximise participatory budgeting in all forms	90%	31 Mar 2027	NS
Increase community ownership of Council owned assets	70%	31 Mar 2027	NS
Deliver Community Hubs for the City	60%	1 Apr 2026	CF
Invest a further £80+ million in new and improved schools (Western Gateway and East End Campus	35%	31 Mar 2027	CF
Help reanimate vacant places in the city centre and other retail areas	20%	31 Mar 2027	CD
Incorporate the 20 Minute Neighbourhood concept into the forthcoming the Local Development Plan	30%	31 Mar 2027	CD
Build affordable houses that meet community needs	45%	31 Mar 2027	NS

CD-City Development, CEX-Chief Executive Services, CF-Children and Families, CS-Corporate Services, NS-Neighbourhood Services



# Design a Modern Council

“Our modern Council for the future will be lean and efficient with a clear set of priorities that deliver for Dundee citizens and communities, focusing resources where they can make the biggest difference.”

## Dundee Plans

- Long Term and Medium-Term Financial Strategy
- Capital Plan
- Investment Strategy
- Transformation Programme
- Our People and Workforce Strategy
- Best Value Assurance Report and Self-Assessment Improvement Plan
- Communications Strategy
- Property Asset Management
- Digital Strategy

## Strategic highlights from last year

- The impact of the Local Government Financial Settlement required the Council to identify upwards of £19m of savings to balance the overall budget. A list of options that would meet this gap were accepted and recommended to the City Governance Committee. The Revenue Budget was approved by the City Governance Committee.
- The budget proposal agreed by members included commitments intended to support the Council's strategic priorities. This included resources to support the expansion of free school meals, environmental improvements for parks and green spaces across the city, as well as the city centre, tackle social inequality and investment in economic development to support city events.
- Key strategies to support the Council Plan were implemented, including, the Strategic Workforce Plan 2023-28, Employee Health and Wellbeing Framework 2023-23 and the Long Term Financial Strategy was agreed in September 2023. This strategy sets out six key workstreams aimed to tackle a projected budget deficit of circa £19.5m and deliver a balanced budget for financial year 2024-25.

- Employee Performance, Development and Engagement are crucial enablers to ensure that Our People strategy is realised. Quality Conversations with individuals and teams with their managers have been embedded across the organisation to develop each employee and team.
- Making online self-service transactions the default is an essential ingredient of a modern council and over the past two years, there has been an increase in online transactions.
- All schools in Dundee are now using the Parents Portal, the portal has been developed to help provide parents/carers with information on their child's education and to support transactional home-school communications. It uses a convenient, online system which can be accessed via mobile devices. The Parents Portal securely links a My Gov account to the Seemis Click and Go database in the child's school.
- The Housing Service are introducing a digital self-service customer portal allowing tenants to access information about their tenancy, check housing repair progress, house exchange and other general tenant information as well as the location of electric vehicle charging points in the city. Tenants can access the portal from any digital device at any time of the day or night.

## Actions completed 2023/24

- Roll out hybrid working across the Council
- Long Term Financial Strategy updated to reflect new Council Plan priorities.

## Actions overdue

- Deliver a programme of service redesign reviews to embed the digital and community empowerment changes.
- Increase Digital Learning, teaching of new working methods and developing the skills of our employees.

## Actions in progress for completion 2024/25

**There are no actions scheduled for completion in 2024/25, however the following actions are above 50%**

- Deliver options to balance the Council's budget each year.
- Deliver a programme of service redesign reviews to embed the digital and community empowerment changes.
- Increase Digital Learning, teaching of new working methods and developing the skills of our employees.



# National Performance Framework


(Aligning global, national and local aims)

The UN Sustainable Development Goals	The National Performance Framework		Council Plan Key Priority
	<ul style="list-style-type: none"> <li>We are well educated, skilled and able to contribute to society</li> <li>We grow up loved, safe and respected so that we realise our full potential</li> <li>We are healthy and active</li> <li>We protect human rights and live free from discrimination</li> </ul>	<ul style="list-style-type: none"> <li>We are creative and our vibrant diverse cultures are expressed and enjoyed</li> <li>Tackle poverty by sharing wealth, opportunity and power more equally</li> <li>We live in communities that are inclusive, empowered, resilient and safe</li> </ul>	<ul style="list-style-type: none"> <li>Reduce child poverty and inequalities in incomes, education and health</li> <li>Resilient and Empowered Communities</li> <li>Design a Modern Council</li> </ul>
	<ul style="list-style-type: none"> <li>A globally competitive, entrepreneurial, inclusive and sustainable economy</li> <li>Thriving innovative business with fair and quality jobs for everyone</li> <li>Open connected and make a positive contribution internationally</li> </ul>		<ul style="list-style-type: none"> <li>Deliver Inclusive Economic Growth (including Community Wealth Building)</li> </ul>
	<ul style="list-style-type: none"> <li>We value, enjoy, protect and enhance our environment</li> </ul>		<ul style="list-style-type: none"> <li>Tackle Climate Change and reach Net Zero emissions by 2045</li> </ul>

**384,760**

Online transactions have increased by 11% this year.

2021/22 – 352,540, 2022/23 – 347,519



**£19.5m**

Savings needed to balance the budget.



**199** 

Apprentice and work experience opportunities in the Council. 70% increase from 2022/23.

**Target 286**

The number of online self-service transactions as a proportion of all customer service transactions continues to increase year on year.

**60.8%** (2022/23)      **62.8%** (2023/24)

**Target 71%**

# Priorities in Action

## Transformation Plan

Delivery of the sixth phase of the transformation programme will be critical to supporting future financial plans. The Council, in common with others, faces a major financial challenge. The Medium-Term Financial Outlook and Strategy estimates the Council is required to make up to £74m of savings by 2026/27 to achieve a balanced budget each year. This is on top of over £150m savings realised since the financial crisis of 2008.

The Council will need to look quite different in five years' time, and employees can help to design a modern council that can deliver services in the most efficient way. Designing a Modern Council is one of five key priorities in the Council Plan 2022 – 2027.

Areas in which we are redesigning the Council include:

- digital by default.
- rationalising property.
- redesigning services.
- sharing services with other Councils and third sector partners.
- looking at what we pay for and where we can create new income.

The Design a Modern Council priority provides the branding for the programme up to 2027. Delivering on the Council Plan requires a more radical redesign of services to meet changing demographics, levels of poverty, community wealth building, community empowerment and embracing modern technology and new ways of working.

Long term service redesign and digital transformation will be ways in which long term transformations will be realised, where services change due to the changing nature of how customers want to engage based on the technological developments taking place. The Council will be looking for where transformation both improves the service and leads to a long-term reduction in the sustainable cost basis for delivering the service.

Two areas where significant progress is being made relates to property rationalisation and digital services.

## Property Rationalisation

The aim of the property rationalisation programme is maximising the shared use of “anchor buildings” and creating a more sustainable property portfolio. Dundee House is actively being promoted as a public sector hub with N-Able Technologies Limited having entered a lease in February 2024. DHSCP's West Community Care multi-disciplinary team are scheduled to transfer to the ground floor of the West Housing Office in 2024. Children & Families has successfully secured £502k of funding for their proposed new Young Persons' Hub at 22-24 Crichton Street. The shortfall of £151k will now be met from the Capital Plan.

## Digital by design

Progress is being made in expanding the range of online self-service transactions. The volume is up 11% on the year before and on the transactions covered by Customer Services 62% are now complete by customers as self-service.

During the year the Parents Portal was launched across all Dundee schools and works can be downloaded as an app on mobile devices. In the first phase 5051 Parents and 6584 young people have registered to use the portal. This will make it easier for parents and young people to communicate directly with schools especially where approvals and sign ups are required. A Tenants portal is planned for launch in 2024.

A new one-stop shop mobile and tablet application for all Dundee waste & recycling matters, making it easy for residents to stay informed. The new app can be downloaded, free of charge for both Android and IOS users via the Dundee MyBins App website (link is external).

A key project that will support all our work will be to develop our data analytics function, working with partners to build a better picture of how to improve outcomes for local people and communities using an early intervention approach. A review is underway on how to make more use of data in Council systems to inform decisions and performance improvement.

There is a Change Fund to support projects that can deliver improvements and deliver tangible savings. Developing more applications and ideas for the Change Fund will be a key part of Designing a Modern Council. Cost and efficiency saving proposals are required each year to help the Council achieve the forecast level of budget savings. Proposals on savings that can be taken each year as a benefit of the long-term transformation programme will be assessed and the Council will also research innovative savings made by other Councils and, after assessing these, propose similar approaches in Dundee that fit with the Council's priorities and will have an impact on the annual budget.

## Balancing the budget

City Governance Committee on 4 September 2023 agreed a Financial Outlook and Strategy (Report No 230-2023). This strategy took cognisance of the key financial challenges facing the council in the medium-term but also aimed to provide sufficient resources within services to meet the Council's strategic priorities.

A budget consultation survey was made available via the Council's internet site during October and November 2023. It was promoted regularly including a press release and a total of 1,088 completed responses were received, a 90% increase from the previous year.

Report No 9-2024 to City Governance Committee on 8 January 2024 outlined the impact of the Local Government Financial Settlement which required the Council to identify £26.1m of savings to balance the overall budget. Grant allocations were more than forecast which reduced the level of savings required to £19.5m.

The Council Leadership Team met regularly throughout the budget process to consider the options submitted by services to meet this gap. These options were assessed in terms of deliverability including any impact they may have on the strategic priorities. The outcome of this exercise comprised a list of options that would meet this gap that were accepted and recommended to the City Governance Committee.

The Revenue Budget was approved by City Governance Committee on 29 February 2024 (report 55-2024 refers). The budget proposal agreed by members included £2m additional funding for Children's Services, over £3m to protect vital services, £160k to help grow economic opportunities and support events, £200k to improve the city's environment and £500k cost of living supports. Work is underway to assess likely deficit for 2025/26 and identify options to address this.

## Our People and Hybrid Working

The Council's approach to leading, managing and developing its people is set out in Our People Strategy 2022-27. The core aim of the strategy is that our people's wellbeing will be supported and that they will be valued for what they do in making a difference.

Guidance and procedures for hybrid working have been established and are already being reviewed to ensure the different workstyles in place continue to best support the delivery of the Council's objectives. Microsoft 365 was rolled out during 2023/24 and is now used extensively throughout the council.

The Council is working on a replacement for Citrix, the contract for the current system ends in May 2024. In future, Amazon Web Service (AWS) will provide secure access to the corporate desktop and any applications that can only be accessed currently in the Citrix Environment.

## Increasing opportunities for young people

An event to improve the employment outcomes of young people in the city was held in February 2024. Local employers, all the secondary schools in the city and Dundee & Angus College came together for "Bridge the Gap" an event to support young people into a sustained positive destination. Employers and education settings used this event to showcase careers and opportunities, allowing all young people to consider all future possibilities. Following this event, schools are able to direct curriculum delivery and employer engagement according to any gaps or needs identified for a young person.

In 2021/22 the number of opportunities provided to young people (e.g. modern apprenticeships, trainees) was at its highest level due to Scottish Government providing additional funding to increase the number of graduates being supported into work. This number fell sharply in 2022/23 when funding was withdrawn. Council initiatives to attract graduates and support young people into paid employment has resulted in a significant increase during 2023/24 with the number of individuals increasing from 117 to 199.



## Best Value




A report by the Accounts Commission on their findings on best value in Dundee City Council stated “It is clear that the effective leadership provided by officers and elected members is an area of strength for the council. This is demonstrated in the clarity and coherence of the council’s vision and planning, its alignment of resources with its priorities, and its fair and balanced public performance reporting” It also noted they “welcome the council’s commitment to continuous improvement, and commend the council for the progress it has made since the Best Value Assurance Report in September 2020, and are pleased to note that it has implemented all our recommendations”.

There were five further recommendations made in the Best Value audit three of which were already included in this Council Plan in relation to Community Asset Transfer, Participatory Budgeting and the Long Term Financial Strategy. Significant progress has been made on these actions, with the action to ‘Increase community ownership of Council owned assets’ 70% complete, the action to ‘Maximise participatory budgeting in all forms’ 90% complete, and the action to ‘update the Long Term Financial Strategy to reflect new Council Plan priorities’ 100% complete.

## Performance Scorecard

Priority	On Target	Within 5% of Target	Not on Target	Total	Improved or the same as last year (% of total)
<b>Design a Modern Council</b>	0	2	1	3	3 (100%)

Most Improved PI's 	Most Deteriorating PI's 
The total number of opportunities provided to young people (e.g. modern apprenticeships, trainees) (70%)	
The number of Council transactions that are digital self-service (order, request, payment) (11%)	
The percentage of customer services customers using self-service options (2%)	

Performance Indicator	-2 year	-1 year	Latest Figure	Current Year	Year 3 (24/25)	Long Term Trend
	Data	Data	Data	Target	Target	
The number of Council transactions that are digital self-service (order, request, payment)	352,540	347,519	384,760	400,000	440,000	
The percentage of customer services customers using self-service options	43.8%	60.8%	62.1%	64%	71%	
The total number of opportunities provided to young people (e.g. modern apprenticeships, trainees)	280	117	199	286	297	

Actions in the plan	Progress %	Due Date	Lead
Deliver options to balance the Council's budget each year	50%	31 Mar 2027	CS
Roll out a digital transformation programme	25%	31 Mar 2027	CS
Deliver a programme of service redesign reviews to embed the digital and community empowerment changes	50%	31 Mar 2027	CEX
Roll out hybrid working across the Council	100%	1 Apr 2025	CS
Increase digital learning, teaching of new working methods and developing the skills of our employees	90%	1 Apr 2024	CS
Increase the uptake of modern and graduate apprenticeships	25%	31 Mar 2027	CS
Long-Term Financial Strategy to be updated to reflect new Council Plan priorities	100%	31 Mar 2024	CS

CD-City Development, CEX-Chief Executive Services, CF-Children and Families, CS-Corporate Services, NS-Neighbourhood Services



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**REPORT TO:** CITY GOVERNANCE COMMITTEE – 10 JUNE 2024

**REPORT ON:** LOCAL GOVERNMENT BENCHMARKING FRAMEWORK PERFORMANCE INDICATORS 2022 - 23

**REPORT BY:** CHIEF EXECUTIVE

**REPORT NO:** 93-2024

## 1. PURPOSE OF REPORT

- 1.1 This report is to advise elected members of the performance of Dundee City Council, for the financial year 2022-23, as defined by the performance indicators compiled by the Improvement Service for the Local Government Benchmark Framework (LGBF). It also aligned to the priorities as set out in the Council Plan 2022 – 2027 and describes the Council's performance in relation to our comparator authorities (i.e. LGBF 'Family Group').

## 2. RECOMMENDATIONS

- 2.1 It is recommended that the Committee: -
- a note the results contained in this report;
  - b remit the report to the Scrutiny Committee for further consideration; and
  - c remit the Council Leadership Team to review the selected areas of improvement in Section 6.

## 3. FINANCIAL IMPLICATIONS

None.

## 4. BACKGROUND

- 4.1 The Improvement Service published their 12th annual LGBF National Benchmarking [Overview Report](#) in March 2024. This describes data on 108 indicators from 2022/23 for all 32 local authorities. The national report provides a high-level analysis of the performance of all councils both during 2022/23 and over the longer-term. It introduces data from a period when communities and council services were managing unprecedented financial challenges in the shape of soaring inflationary pressures and the cost-of-living crisis. This was against a backdrop of deepening fiscal, demand, and workforce pressures, including those resulting from the ongoing effects of the Covid pandemic.
- 4.2 Following the publication and release of this data, a report exploring Dundee's data is prepared. Previously this report has included all of the LGBF data however the number of indicators is increasing each year in order to provide a wider range of comparative data and the LGBF board have confirmed they do not expect local authorities to use or report on them all. The pandemic has also disrupted the long-term trends, but this has applied to all local authorities and the family group comparison addresses any urban and deprivation factor differences.
- 4.3 However, elected members, officers and the public can [interact with the comparative data](#) for all 108 indicators on the Dundee Performs section of the Council's website and see how Dundee compares with the Scottish average and similar authorities in our family group, as well as over time. The Council Leadership Team reviews all the LGBF indicators and many more are referred to in service plans and other reports.

- 4.4 The Family Group of similar authorities is based on factors such as deprivation and urban density in order that each authority can compare its performance to similar authorities. Further details of the how local authorities are grouped is set out at the start of Appendix 1. For additional comparative information, the relative position of Dundee out of all 32 Scottish Councils is provided in the appendix and showing the change with the year before.
- 4.5 The LGBF data 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. The LGBF data can also be used locally to support strategic and budget planning, improvement, scrutiny, and public performance reporting.

## 5. DUNDEE’S PERFORMANCE AND PROGRESS

- 5.1 Benchmarking for improvement is a vital part of the Council’s Performance Management Framework and statutory public performance reporting. This report to the Committee is focussing on the data most aligned with the priorities set out in the [Council Plan 2022-2027](#) (Policy and Resources Committee 5 December 2022 article II refers) as follows:

1. Reduce child poverty and inequalities in incomes, education, and health
2. Deliver Inclusive Economic Growth
3. Tackle Climate Change and reach Net Zero emissions by 2045
4. Build Resilient and Empowered Communities
5. Design a Modern Council

- 5.2 The table below provides a high-level overview of indicators in relation to each of the five strategic priorities and where Dundee is in the top half of the family group. The table shows 19 out of 39 (49%) indicators met the benchmark of above LGBF family group average (top half) compared to 19 out of 36 (53%) last year in the [2021/22 LGBF Report](#). Three new indicators were added to this report to reflect on comments by external auditors that one on supporting people into work was highly relevant to inclusive growth, a new LGBF indicator on Transport CO<sup>2</sup> emissions is relevant to climate change priority actions on promoting active travel, EV, and public transport and one in building strong communities to draw attention where comparative performance on a key indicator has changed significantly.

PRIORITY	Top Half	Total Measures	%
Reduce Child poverty and inequalities in incomes, health, and education*	6	13	46%
Create Inclusive Growth and Community Wealth Building	7	10	70%
Tackle Climate Change and achieve net zero by 2045**	2	4	50%
Build resilient and empowered communities	1	4	25%
Design a modern Council	3	8	38%
<b>TOTAL</b>	<b>19</b>	<b>39</b>	<b>49%</b>

\*One indicator within this priority is 2021/22. Data refresh due June 2024. One indicator within this priority is 2020/21 and is refreshed biennially. Data refresh due August 2024

\*\*Three indicators within this priority are 2021/22. Data refresh due May, then July.

- 5.3 The following table compares Dundee's data with our Family group comparators. Where Dundee's figure is the highest percentage better than the benchmark and where it is the furthest away from the benchmark and an area for improvement.

	Best compared to benchmark	Furthest away from benchmark
Reduce Child poverty and inequalities in incomes, health, and education	Proportion of Scottish Welfare Fund (SWF) Budget Spent	% of pupils living in the 20% most deprived areas gaining 5+ awards at level 6
Create Inclusive Growth and Community Wealth Building	Immediately available employment land as a % of total land allocated for employment purposes in the local development plan	% of unemployed people assisted into work from council operated / funded employability programmes
Tackle Climate Change and achieve net zero by 2045	CO2 emissions area wide: emissions within scope of LA per capita	% of total household waste arising that is recycled
Build resilient and empowered communities	% of council dwellings meeting Scottish Housing Standards	Average number of days taken to complete non-emergency repairs
Design a modern Council	Gender Pay Gap (%)	Total useable reserves as a % of council annual budgeted revenue

- 5.4 Appendix 1 shows the latest Dundee figure compared with the family group average for 39 key indicators that are most closely aligned with the Council Plan priorities. This shows where Dundee is on target in relation to the benchmark or needs some focus to reach the average. It also provides a description of the measure, a graph over time and how it relates to the Council Plan. Where Dundee's figure is furthest from the benchmark by the most significant amount it will be considered in more detail by the Council Leadership Team.
- 5.5 As the Council will need to continue to have to make savings and is facing increasingly difficult choices about spending priorities, the Council Leadership Team and the Transformation Board will also explore in more detail the cost related indicators from the LGBF suite of measures also.
- 5.6 LGBF data is used more widely with 26 LGBF indicators in addition to the 39 in this report featuring across the Council's suite of service plan performance reports. LGBF data is also shared with our key partners in Leisure and Culture Dundee and the Health and Social Care Partnership to review as part of their performance management and reporting processes.

## 6. AREAS FOR IMPROVEMENT

- 6.1 Based on the table in 5.3, the following indicators will be the subject of further discussion by the Council Leadership Team. They will examine the data relating to the benchmarked service, any improvement actions and follow up progress. An update on these will be included in next year's report.

<b>Area for improvement 1</b>	% of pupils living in the 20% most deprived areas gaining 5+ awards at level 6
<b>Area for Improvement 2</b>	% of unemployed people assisted into work from council operated / funded employability programmes
<b>Area for Improvement 3</b>	% of total household waste arising that is recycled
<b>Area for Improvement 4</b>	Average number of days taken to complete non-emergency repairs
<b>Area for Improvement 5</b>	Total useable reserves as a % of council annual budgeted revenue

- 6.2 The last annual LGBF report (Policy and Resources Committee 13/05/2023 article III refers) highlighted the following relevant areas selected for improvement and for each an update is provided below.

Area for Improvement 2023	Progress since last report
Average total tariff SIMD quintile 1	The figure for 2022/23 is a slight increase of the total tariff score of 566 in 2020/21. This is consistent with the general trend since 2017/18, where it has been gradually increasing year on year. The tariff scores in 2021/22 represent the pupils who started S4 in 2019. This cohort had no exams in 2020 and the Alternative Certification Model in 2021. Their results, and thus tariff scores, should not be compared with other years however Dundee remains 15% below the family group average.
Claimant count as a percentage of working age population	The claimant count as a % of working age population in Dundee has improved between 2021/22 and 2022/23, continuing the decrease since the peak in 2020/21 that was due to Covid. It follows the same pattern as the family group. The Council is prioritising several actions aimed at inclusive growth and employment.
% of total household waste arising that is recycled	Improved by 1.4% over the year before to 34% and remains below the family group average of 40.8% and SEPA is also further reviewing Dundee's overall recycling rate to include additional metals recycling from energy from Waste residues. This will further improve the 2022 rate once the amendment has been confirmed by SEPA and will be updated in future reports. This remains an area for improvement and a waste strategy is being implemented.
% of internal floor area of operational buildings in satisfactory condition	<p>There has been a notable improvement in gross internal floor area in satisfactory condition in Dundee City Council's operational buildings between 2021/22 (75.5%) and 2022/23 (81%). However, this remains as an area of improvement as Dundee City Council is still below the benchmark.</p> <p>Property Rationalisation is a key priority within the Council Plan 2022-2027 which will ensure that this proportion increases further to reduce the amount of property occupied by the council that is classed as less than satisfactory condition.</p>

## 7. POLICY IMPLICATIONS

This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services, or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

## 8. CONSULTATIONS

The Council Leadership Team were consulted in the preparation of this report.

## 9. BACKGROUND PAPERS

None.

GREGORY COLGAN  
CHIEF EXECUTIVE

DATE 29 MAY 2024



## FAMILY GROUPS

The family group is the group of 8 Scottish local authorities Dundee is matched with in terms of levels of deprivation and urban density. The groups are slightly different for people-based services and services where geography and logistics will have the biggest influence on costs and performance.

	People Based Services – High Deprivation factor	Geographical Based Service – High Urban density factors
<b>Services</b>	Children, Adult Care, Housing	Neighbourhood Services, City Development, Property, Leisure and Culture and Corporate Services
<b>Family Group</b>	Dundee City Council East Ayrshire Eilean Siar Glasgow Inverclyde North Ayrshire North Lanarkshire West Dunbartonshire	Dundee City Council Aberdeen East Dunbartonshire Edinburgh Falkirk Glasgow North Lanarkshire West Dunbartonshire

Dundee City Council has chosen the Family Group mean average to act as the benchmark. This is a slight change to previous years where the median was used, however in all national publications the mean is used. Occasionally an outlier in a group of 8 causes the mean to be quite different from the median and can provide a false comparison. Where this is the case for an indicator, the commentary on this indicator will acknowledge this.

Each Council Strategic Priority will include a table of the most relevant LGBF indicators and an examination of each indicator in turn.

The most current data will appear in the On Target or Area For Improvement columns as appropriate. The figure for Dundee City Council will be in the On Target column for each indicator where Dundee is performing better than the Family Group mean average. Likewise, the figure for Dundee City Council will be in the Area for improvement for each indicator where Dundee is performing worse than the Family Group mean average.

The Lead Service abbreviations are as follows:

- CD – City Development
- CE – Chief Executive's Services
- CF – Children & Families Service
- CS – Corporate Services
- NS – Neighbourhood Services

## COUNCIL PLAN STRATEGIC PRIORITIES

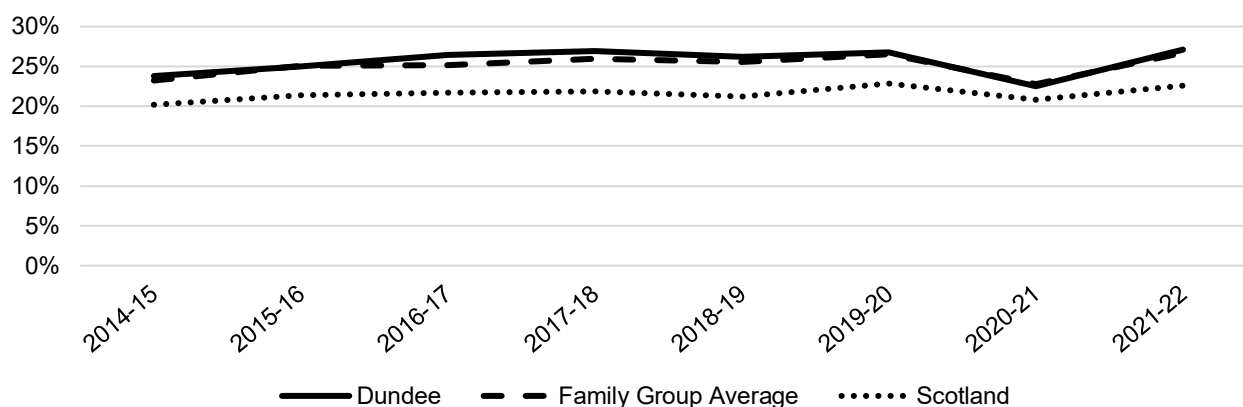
## REDUCE CHILD POVERTY AND INEQUALITIES IN INCOMES, EDUCATION AND HEALTH INDICATORS

Benchmark is Family Group Average							
Reduce child poverty and inequalities in incomes, education, and health.							
Performance Indicators	Previous Year	On Target	Benchmark	Area for Improvement	Difference	Scottish Position (previous year up or down)	Lead Service
% of children living in poverty (after housing costs) (2021/22)	22.5		26.7	27.1	1%	27(↓2)	CF
School attendance rates	90.6%		89.5%	89%	0%	16(↑3)	CF
School exclusion rate (incidents per 1,000 care experienced children and young people) (2020/21)	110.1	75.9	111.3		32%	13(↓5)	CF
Literacy Attainment Gap (P1,4,7 Combined) - percentage point gap between the least deprived and most deprived pupils	19.9		19.3	19.9	3%	8(↓1)	CF
Numeracy Attainment Gap (P1,4,7 Combined) - percentage point gap between pupils from the least deprived and most deprived areas	13.6	16.3	16.3		0%	7(↓4)	CF
% of pupils entering positive destinations	93.9%		96.2%	95.6%	-1%	14(↑16)	CF
% of pupils living in the 20% most deprived areas gaining 5+ awards at level 5	49%		51%	48%	-6%	12(↑1)	CF
% of pupils living in the 20% most deprived areas gaining 5+ awards at level 6	19%		22%	17%	-23%	18(↓4)	CF
Average total tariff SIMD quintile 1	629		669	568	15%	20(↓1)	CF
% CCG Grant Decisions within 15 Days	80.0%		90.3%	73.5%	19%	21(↑5)	CS
% of Crisis Grant Decisions within 1 day	94.3%		94.6%	88.8%	6%	25(↓2)	CS
Proportion of DHP Funding Spent	102.2%	100.8%	95.0%		6%	5(↓1)	CS
Proportion of SWF Budget Spent	128.6%	129.6%	106.0%		22%	16(↓7)	CS

**% of children living in poverty (after housing costs)**

Performance Indicator	Previous Year	On Target	Benchmark	2021/22 Area for Improvement	Difference	Scottish Position
% of children living in poverty (after housing costs) (2021/22)	22.5		26.7	27.1	1%	27(↓2)

Proportion of Children Living in Poverty (After Housing Costs)

**Metadata**

This shows the percentage of children who are in households with incomes net of housing costs that are below 60% of the median.

Rates of child poverty were rising in every local authority area in Scotland even before COVID-19. Projections suggest that the impact of the pandemic has the potential to exacerbate and entrench child poverty further.

The data is published by End Child Poverty. This publication uses data from Scottish Government: Children in Low-income Families: Local area statistics and the Mid-Year Population Estimates published by the National Records of Scotland (NRS). Data is published 2 years in arrears i.e., the 2020/21 figures are published in 2022.

**Comments**

The proportion of children living in poverty has increased between 2020/21 and 2021/22. This increase is not unique to Dundee as the family group average has also increased at a similar rate. This is following the removal of the additional support provided to low-income families during the Covid pandemic via the £20 uplift to Universal Credit. Child Poverty data for 2022/23 is not yet available and the full impact of the cost-of-living crisis on the levels of child poverty is not yet clear. It is clear however, that the crisis exacerbates the financial hardship for children and families who are living in poverty.

Dundee City Council has set the targets of reducing child poverty by half by 2030 and matching the Scottish Government's overall national target of reducing child poverty to less than 10% of children living in relative poverty by 2030. The introduction and significant uplift in the Scottish Child Payment will be an important element of tackling poverty and addressing the inadequacy of the current social security system. Action undertaken by local authorities, health boards and their community planning partners is set out in their annual Local Child Poverty Action Reports under the Child Poverty (Scotland) Act 2017.

Our continued efforts in relation to Child Poverty and inequalities at both a strategic level (key priorities in the City and Council Plans) and at local levels via the local fairness initiatives, child poverty pathfinder and local community plans have all been shaped by experiences including during COVID and the cost-of-living crisis.

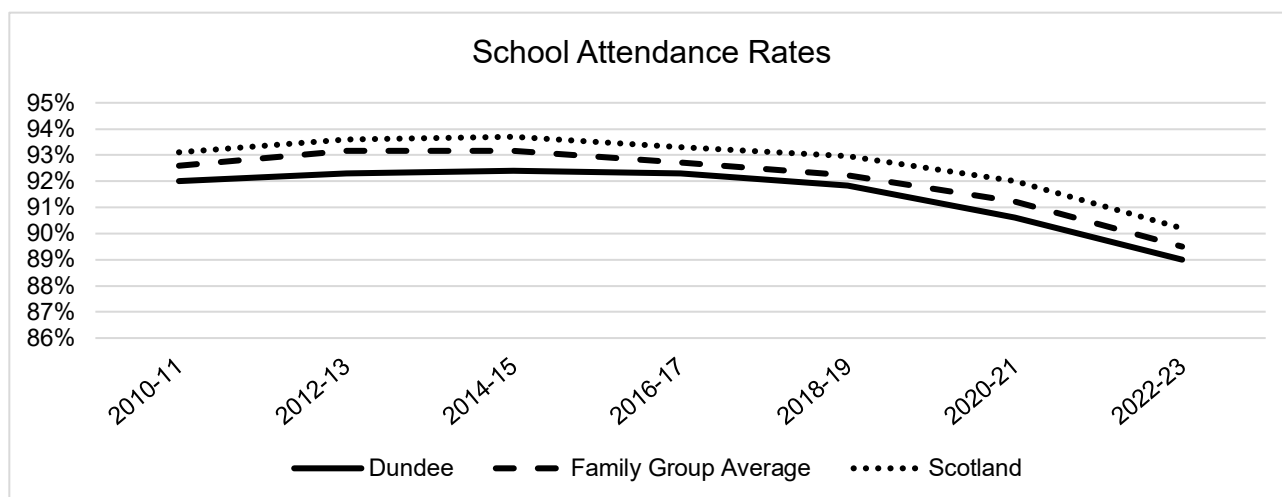
The Fairness Leadership Panel (replaced the previous Fairness Commissions) is now at the heart of driving the Partnership's efforts to reduce poverty for children, families, and communities. The Panel is a full and effective collaboration between people with lived experience of the impact of low incomes and representatives of influential bodies and groups in the city. During 2022/23 the focus of the Panel has been on the local

implications of the national child poverty drivers, with further work underway on the costs of food and fuel, access to benefits and debt advice required in the face of the cost-of-living crisis, and the reshaping of local employability services to support people towards jobs that offer incomes that will help them to escape poverty. The Panel have worked with various officers delivering services to develop or re-shape services with feedback from those with lived experience e.g. Fuel-Well and inclusive communications. The more recent Cost-of-Living Summits have helped design the local response collaboratively with a range of partners across the city.



## School attendance rates

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
School attendance rates	90.6%		89.5%	89%	0%	16(↑3)



### Metadata

This indicator measures the average number of half-days attended, as a percentage of the total number of possible attendances for care experienced pupils in a local authority.

Good school attendance is key to ensuring that every child gets off to the best start in life and has access to support and learning that respond to individual needs and potential. Absence from school, whatever the cause, can disrupt learning. The role of school attendance in the care and protection of children is key.

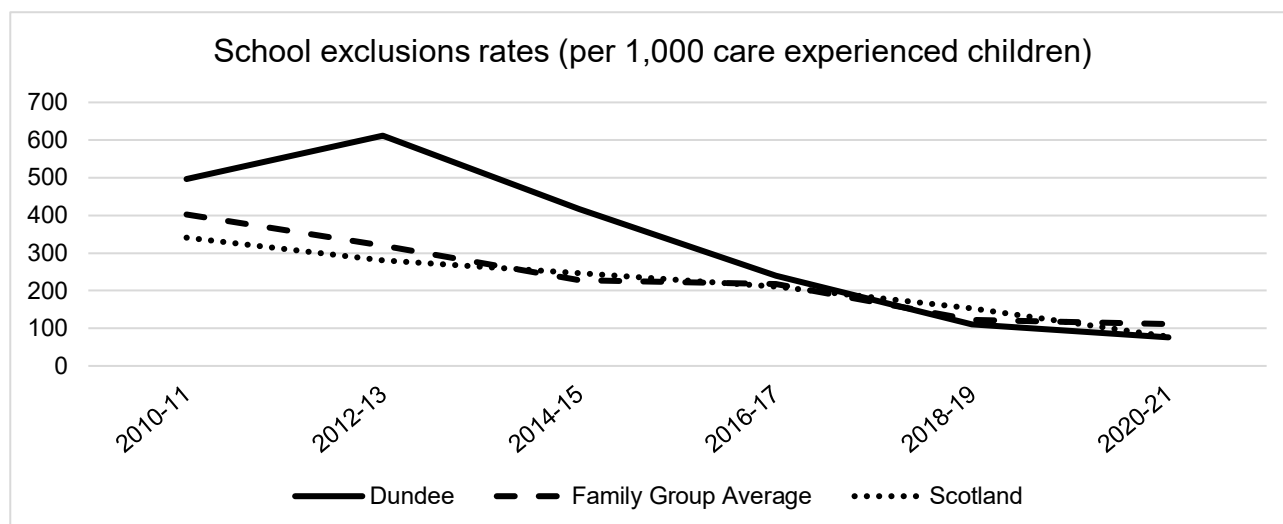
Data for this indicator is provided directly to the IS by Scottish Government.

### Comments

Since 2010/11, the School Attendance Rate for in Dundee has been consistently lower than the family group average and Scotland as a whole. There has also been a decreasing trend for attendance in Dundee City Council, as well as across the family group and nationally since 2014/15. These decreases continued in Dundee between 2021/22 and 2022/23 from 90.6% to 89.5%. This is below the family group average benchmark, meaning this continues to be an area for improvement.

## School exclusion rate (incidents per 1,000 care experienced children and young people)

Performance Indicator	Previous Year	2020/21 On Target	Benchmark	Area for Improvement	Difference	Scottish Position
School exclusion rates (per 1,000 'care experienced children') (2020/21)	110.1	75.9	111.3		-32%	13(↓5)



### Metadata

This indicator measures the number of exclusion cases per 1,000 care experienced pupils. Exclusions include both temporary exclusions and pupils removed from the register.

In Scotland, the power exists to exclude children and young people from school where it is considered that to allow the child or young person to continue attendance at school would be seriously detrimental to order and discipline in the school or the educational wellbeing of the learners there. Exclusion should only be used as a last resort. There have been significant, concerted efforts by schools and local authorities to implement a range of different approaches and solutions to ensure that young people are fully included, engaged, and involved in their education; and, to improve outcomes for all Scotland's children and young people with a particular focus on those who are at risk of exclusion.

Data for this indicator is provided directly to the IS by Scottish Government.

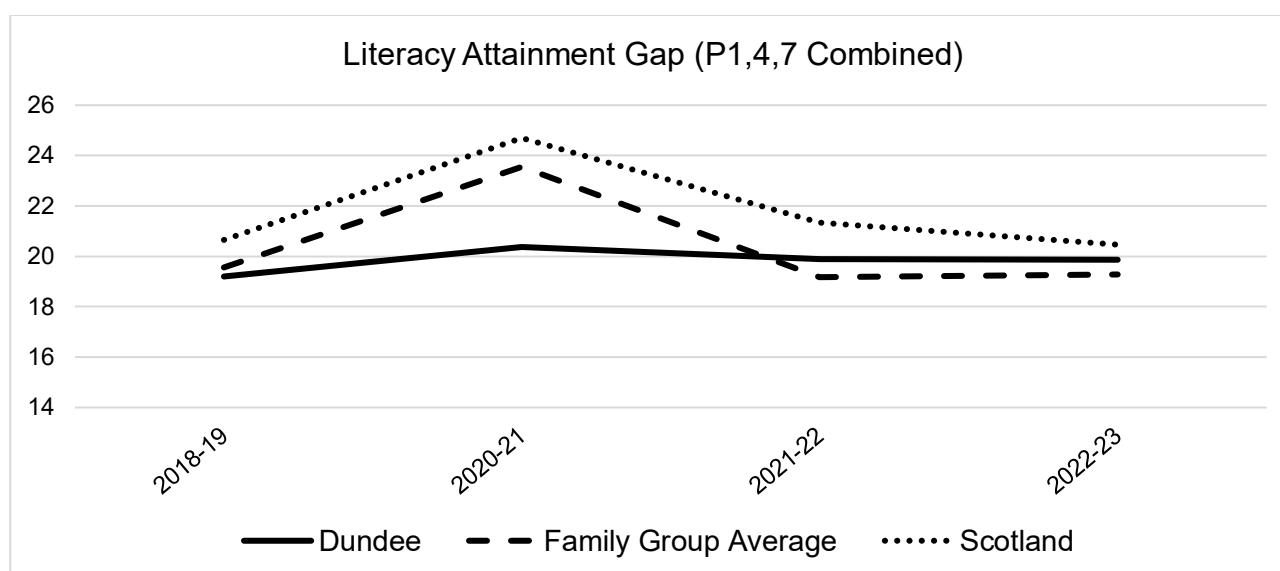
### Comments

School exclusion rates have fallen across Scotland and the family group over the previous decade, but the degree to which it has reduced in Dundee has been more significant. This reflects the significant, concerted efforts by the Children and Families Service to implement a range of different approaches and solutions to positively engage young people in their education and improve relationships and behaviour.

To ensure this improves further for care experienced children, Dundee City Council will deliver Our Promise to Care Experienced Children and Young People and the Equality Outcome Plan 2021 – 2025, which will further enhance support and close the gap in educational attainment experienced by young people from protected groups.

### Literacy Attainment Gap (P1,4,7 Combined) - percentage point gap between the least deprived and most deprived pupils.

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
Literacy Attainment Gap (P1,4,7 Combined) - percentage point gap between the least deprived and most deprived pupils	19.9		19.3	19.9	3%	8(↓1)



#### Metadata

This indicator measures the gap in literacy and numeracy between children from Scotland's most and least deprived areas. A pupil is deemed to have achieved the expected level in literacy if they have achieved the expected level in all three literacy organisers: reading, writing, and listening and talking.

'Closing the attainment gap between the most and least disadvantaged children and young people' is a key priority of the National Improvement Framework; it is also a key priority for the Children and Families Service.

Data for this indicator is collected from the Scottish Government publication: '*Achievement of Curriculum for Excellence Levels.*'

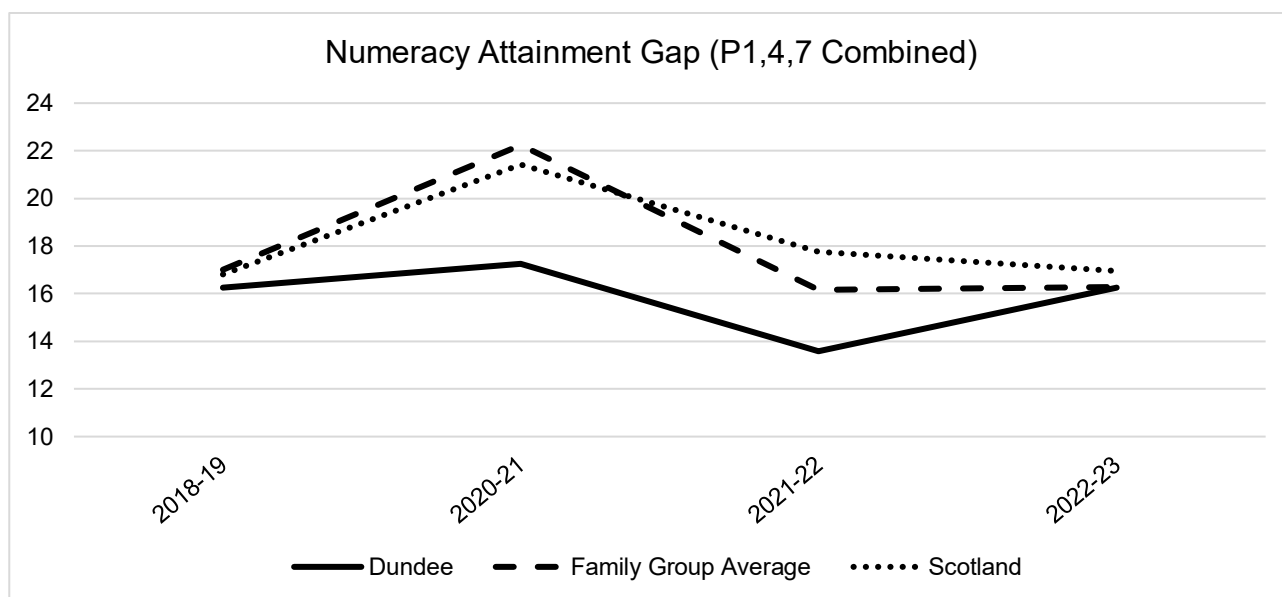
#### Comments

The literacy attainment gap in Dundee has remained relatively unchanged since 2018/19 (n.b. data was not collected in 2019/20 due to the excessive burden this would create for schools during Covid). However, it is equal to the family group benchmark.

The ongoing consequences of the cost-of-living crisis will continue to have a disproportionately negative effect on children and families from low-income households. Although Dundee City Council is on target for this indicator, it will continue with efforts to close the attainment gap between pupils from the most and least deprived areas. This is a key stretch aim in the Strategic Equity Fund plan.

### Numeracy Attainment Gap (P1,4,7 Combined) - percentage point gap between the least deprived and most deprived pupils.

Performance Indicator	Previous Year	2022/23 On Target	Benchmark	Area for Improvement	Difference	Scottish Position
Numeracy Attainment Gap (P1,4,7 Combined) - percentage point gap between pupils from the least deprived and most deprived areas	13.6	16.3	16.3		0%	7(↓4)



#### Metadata

This indicator measures the gap in numeracy between children from Scotland's most and least deprived areas.

'Closing the attainment gap between the most and least disadvantaged children and young people' is a key priority of the National Improvement Framework; it is also a key priority for the Children and Families Service.

Data for this indicator is collected from the Scottish Government publication: '*Achievement of curriculum for excellence levels.*'

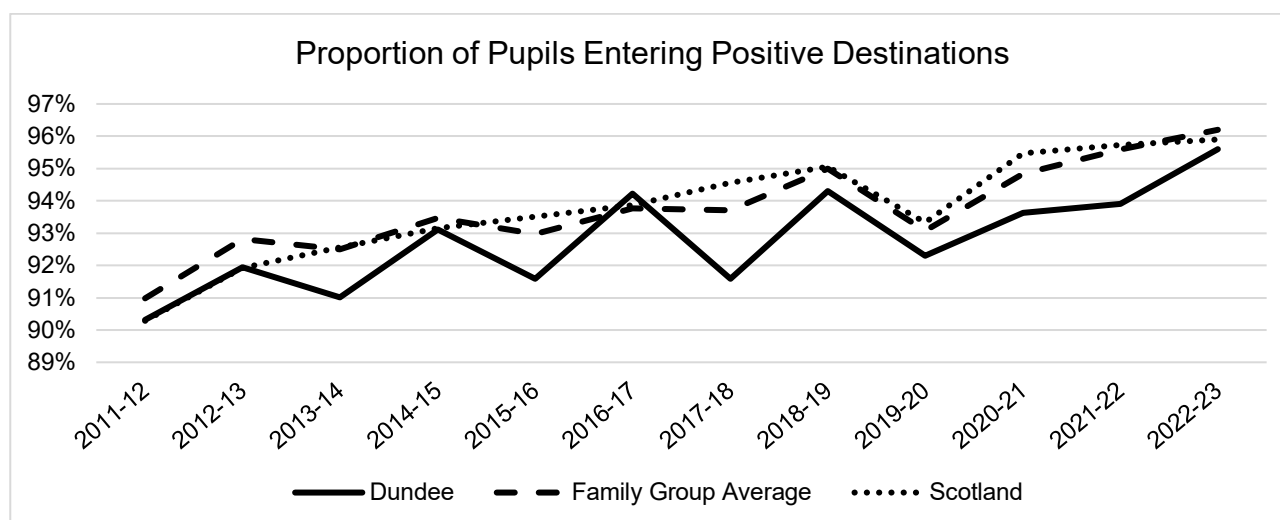
#### Comments

Although Dundee City Council is on target for this indicator, the past year has seen an increase in the attainment gap for numeracy. Prior to this Dundee's attainment gap for numeracy was consistently below the family group average since 2018/19.

The ongoing consequences of the cost-of-living crisis will continue to have a disproportionately negative effect on children and families from low-income households. In the face of these challenges, Dundee City Council will aim to reverse this trend and close the attainment gap between pupils from the most and least deprived areas. This is a key stretch aim in the Strategic Equity Fund plan.

## % of pupils entering positive destinations

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
% of pupils entering positive destinations	93.9%		96.2%	95.6%	-1%	14(↑16)



### Metadata

This indicator measures the proportion of pupils who are entering any positive destinations after leaving school as a proportion of all school leavers. A positive destination can be either higher or further education, employment, training, voluntary work, or personal skills development. This indicator covers school leavers from all stages of secondary school. For most young people, S4 (15–16-year-olds) is the last compulsory year of school, but the majority choose to stay on and complete S5 (16–17-year-olds) and S6 (17–18-year-olds).

This valuable outcome indicator measures how well schools prepare young people for life beyond school. It is an aggregate measure of a wide range of post school destinations for young people.

Data for this indicator is collected from the Scottish Government publication: *'School leaver initial destinations and attainment survey.'*

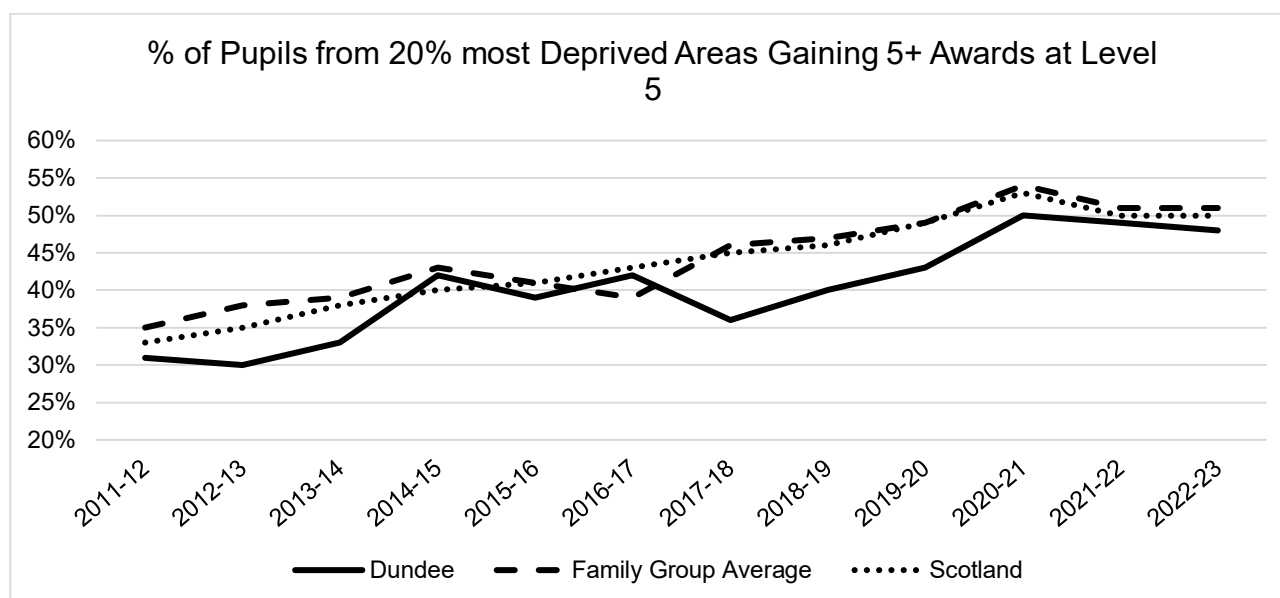
### Comments

As the above graph shows, the percentage of pupils entering positive destinations in Dundee has fluctuated over the past decade, but the overall trend has improved from 90.3% in 2011/12. There has also been progress made on this indicator in the previous year as there has been an increase from 93.9% to 95.6% between 2021/22 and 2022/23. This figure of 95.6% is the highest since the baseline year. However, the recent figure for 2022/23 remains below the family group average and this remains an area for improvement.

Dundee City Council will deliver the Equality Outcome Plan 2021 – 2025 which aims to close the gap in educational attainment experienced by young people, and so will help increase opportunities for more young people. There is a specific action in the Council Plan to 'Increase the percentage of 16–19-year-olds participating in education, employment or training'. A Youth Participation Task and Finish Group was established to jointly develop further actions which promote improvements to 16–19-year-olds finding positive destinations. Their report, which included a new Youth Participation Improvement Plan, was approved by the City Governance Committee on 22<sup>nd</sup> April 2024. This included a theme on how schools can prepare and support young people for a positive destination during their school years by early identification of young people at risk of not achieving a positive destination at key stages during school. A significant focus of Improvement Plan was also on the post-school transition, and a consistent multi-agency approach will be developed to ensure appropriate support for school leavers, with opportunities identified for improving data sharing between organisations, and collaborative working between Council services and third sector and private sector organisations to ensure that young people understand all the positive destinations available to them so they can choose the right option at the right time.

**% of pupils living in the 20% most deprived areas gaining 5+ awards at level 5**

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
% of pupils living in the 20% most deprived areas gaining 5+ awards at level 5*	49%		51%	48%	-6%	12(↑1)

**Metadata**

This indicator provides a measure of achievement for senior phase (S4-S6) pupils who appear on the pupil census for local authority schools. The measure is provided at SCQF level 5, for pupils from the 20% most deprived areas (SIMD1).

A key stage of the education journey for Scottish students is their performance in their senior phase of secondary school. In comparing the achievement levels of young people, councils can share good practice to aid improvement across all council areas. An outcome consistently sought at both the national and local level across the UK is an increase the educational attainment of children from deprived backgrounds.

The calculated data is provided directly to the IS from Insight.

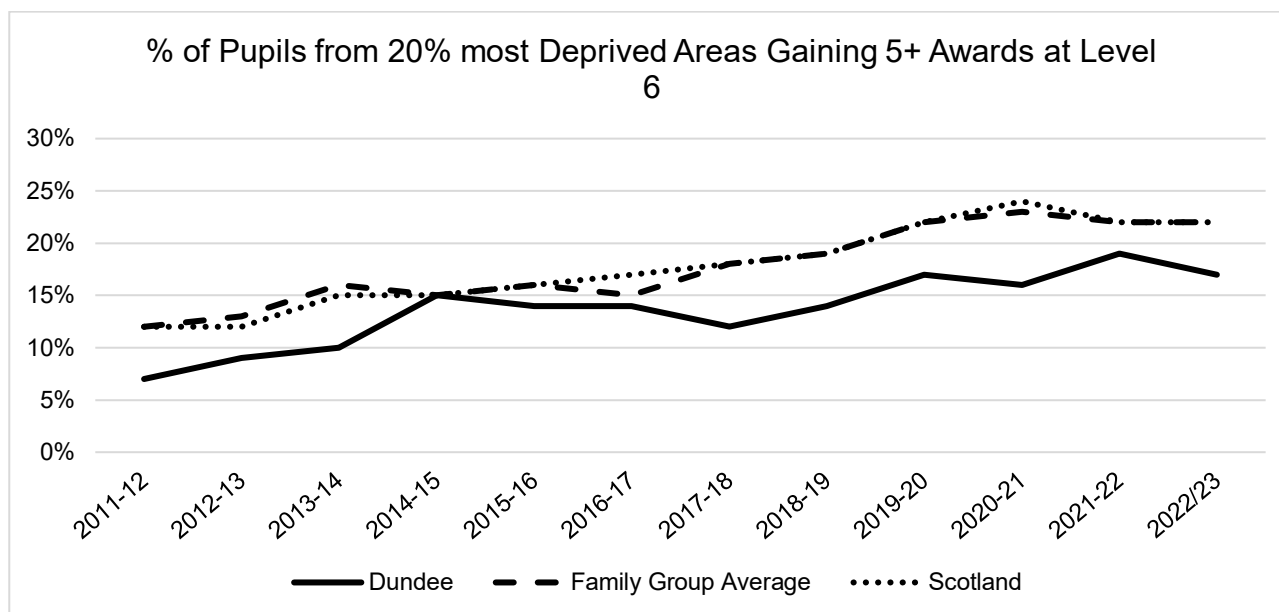
**Comments**

The chart above shows that the percentage of pupils from deprived areas gaining 5 or more awards at SCQF level 5 or better has increased in Dundee over the last decade, with an increase of 17% since the baseline year of 2011/12. However, the percentage of pupils in Dundee is below the family group Scottish average, meaning it remains an area for improvement. In addition, there has been a decrease in Dundee in the previous year, resulting in Dundee moving further away from the benchmark.

The Children and Families Service recently organised and engaged in Collaborative Improvement - an approach to bringing about improvement through shared work involving staff from the host local authority, Education Scotland, and Association of Directors of Education Scotland (ADES) – with a focus on improving outcomes in the Senior Phase in Dundee. The Collaborative Improvement fieldwork phase will help inform a Senior Phase Improvement Plan, which will help drive forward improvements in outcomes in the Senior Phase in Dundee.

**% of pupils living in the 20% most deprived areas gaining 5+ awards at level 6**

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
% of pupils living in the 20% most deprived areas gaining 5+ awards at level 6*	19%		22%	17%	-23%	18(14)

**Metadata**

This indicator provides a measure of achievement for senior phase (S4-S6) pupils who appear on the pupil census for local authority schools. The measure is provided at level 6, for pupils from the 20% most deprived areas (SIMD1).

A key stage of the education journey for Scottish students is their performance in their senior phase of secondary school. In comparing the achievement levels of young people, councils can share good practice to aid improvement across all council's areas. An outcome consistently sought at both the national and local level across the UK is an increase the educational attainment of children from deprived backgrounds.

The calculated data is provided directly to the IS from Insight.

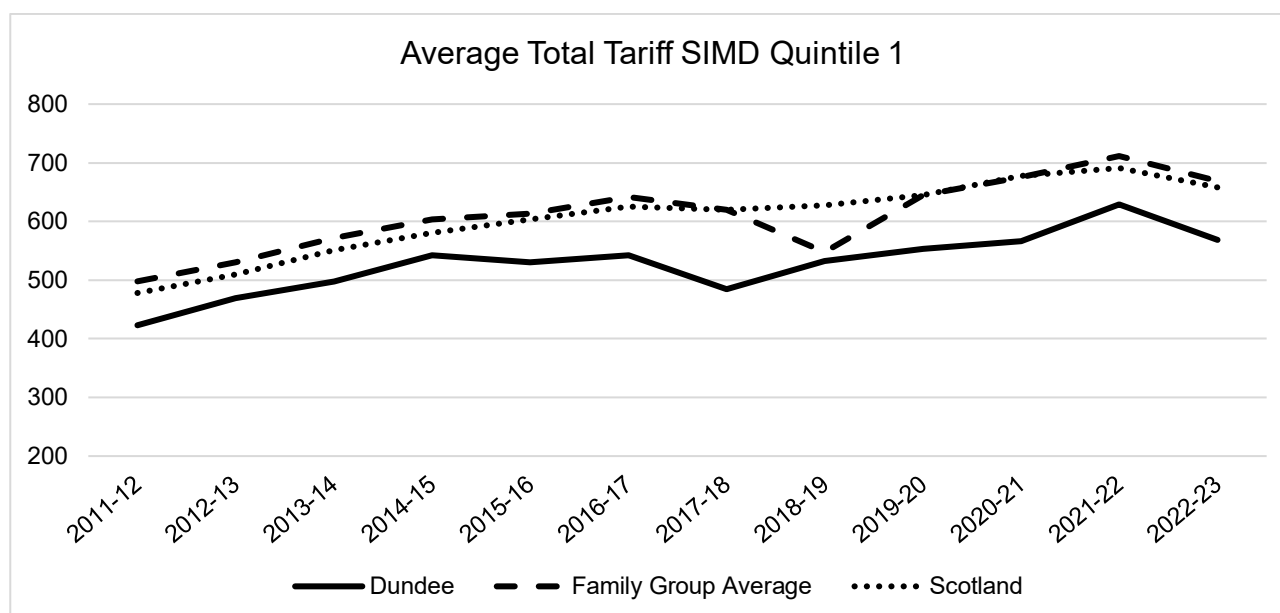
**Comments**

The graph above shows that the percentage of pupils from deprived areas gaining 5 or more awards at SCQF level 6 or better has increased in Dundee over the last decade with an increase of 10% since the baseline year of 2011/12. However, the percentage of pupils in Dundee is still below the family group Scottish average, meaning it remains an area for improvement in senior phase achievement. In addition, there has been a decrease since the previous year, resulting in Dundee moving further away from the benchmark, and with a difference of 23% this indicator is the furthest away from the benchmark out of all the indicators in this report in the Reduce Child Poverty and Inequalities in Incomes, Education and Health priority.

The Children and Families Service recently organised and engaged in Collaborative Improvement - an approach to bringing about improvement through shared work involving staff from the host local authority, Education Scotland, and Association of Directors of Education Scotland (ADES) – with a focus on improving outcomes in the Senior Phase in Dundee. The Collaborative Improvement fieldwork phase will help inform a Senior Phase Improvement Plan, which will help drive forward improvements in outcomes in the Senior Phase in Dundee.

### Average total tariff SIMD quintile 1

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
Average total tariff SIMD quintile 1	629		669	568	-15%	20(↓1)



#### Metadata

This indicator measures the average total tariff score for pupils in the senior phase for pupils in SIMD Quintile 1. Tariff points for each unit or course are calculated based on the SCQF level of the award and the grade achieved (for graded courses). Tariff points are accumulated by individual pupils for all eligible qualifications that are the latest and best in a subject (e.g., if a pupil sits National 5 maths and then Higher maths only the tariff points for Higher maths will be included in their total).

An outcome consistently sought at both the national and local level across the UK is to increase the educational attainment of children from deprived backgrounds. Therefore, it is important to measure the attainment of the subgroup of pupils who live in deprived areas.

Tariff points for SIMD quintiles is calculated based on Insight data and is provided for the LGBF by the Scottish Government. Overall average tariff is calculated by the Improvement Service.

#### Comments

The average total tariff of pupils from the SIMD Quintile 1 has decreased between 2021/22 and 2022/23 from 629 to 568. However, the tariff scores in 2021/22 represent the pupils who started S4 in 2019. This cohort had no exams in 2020 and the Alternative Certification Model in 2021. Their results, and thus tariff scores, should not be compared with other years and we would caution against reading too much into the high figure for 2021/22. This decrease is also not unique to Dundee as the family group has decreased at a similar rate, as well as the Scotland average.

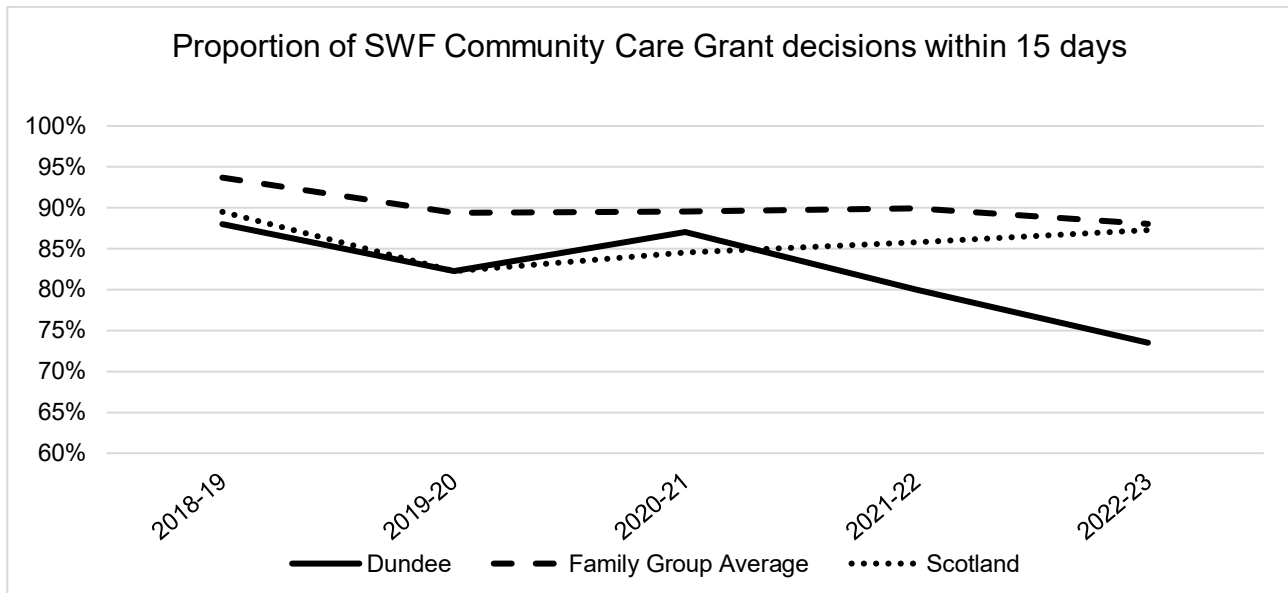
The figure for 2022/23 is a slight increase of the total tariff score of 566 in 2020/21. This is consistent with the general trend since 2017/18, where it has been gradually increasing year on year. 44% of Dundee pupils live in SIMD Quintile 1.

Dundee continues to work to raise attainment for all and close the poverty attainment gap, with these being core measures in our Strategic Equity Fund stretch aims.



**% CCG Grant Decisions within 15 Days**

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
<b>% CCG Grant Decisions within 15 Days</b>	80.0%		90.3%	73.5%	-19%	21(15)

**Metadata**

This indicator measures the percentage of applications which have an initial decision being made within 15 working days of the application being received.

This measure provides useful and timely insight on policy critical issues such as vulnerability, poverty, and inequality & which will be increasingly important considering the cost-of-living crisis.

Data for this indicator is collected from Scottish Welfare Fund statistics published by Scottish Government.

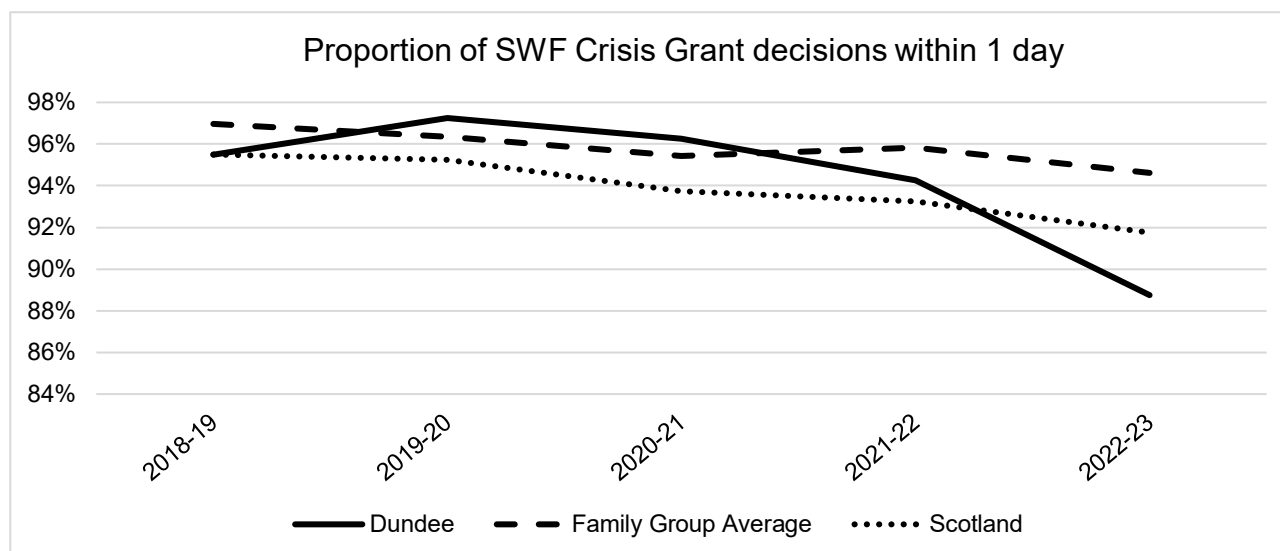
**Comments**

The proportion of Scottish Welfare Fund Community Care Grant decisions within 15 days has decreased from 80% to 73.5% between 2021/22 and 2022/23. Dundee City Council has consistently had a lower percentage of CCG Grant decisions within 15 days than the family group average, and while the family group average also decreased between 2022/23, it did so at a lesser rate than for Dundee, meaning the difference increased between 2021/22 and 2022/23. The Dundee figure is also 25% less than the benchmark, making this a notable area for improvement.

To improve the current percentage of decisions within 15 days, one of the key actions of the Council Plan is to prioritise welfare support grants to children and families.

**% of Crisis Grant Decisions within 1 day**

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
% of Crisis Grant Decisions within 1 day	94.3%		94.6%	88.8%	-6%	25(↓2)

**Metadata**

This indicator measures the percentage of applications which have an initial decision being made within 1 working day of the application being received.

This measure provides useful and timely insight on policy critical issues such as vulnerability, poverty, and inequality & which will be increasingly important considering the cost-of-living crisis.

Data for this indicator is collected from Scottish Welfare Fund statistics published by Scottish Government.

**Comments**

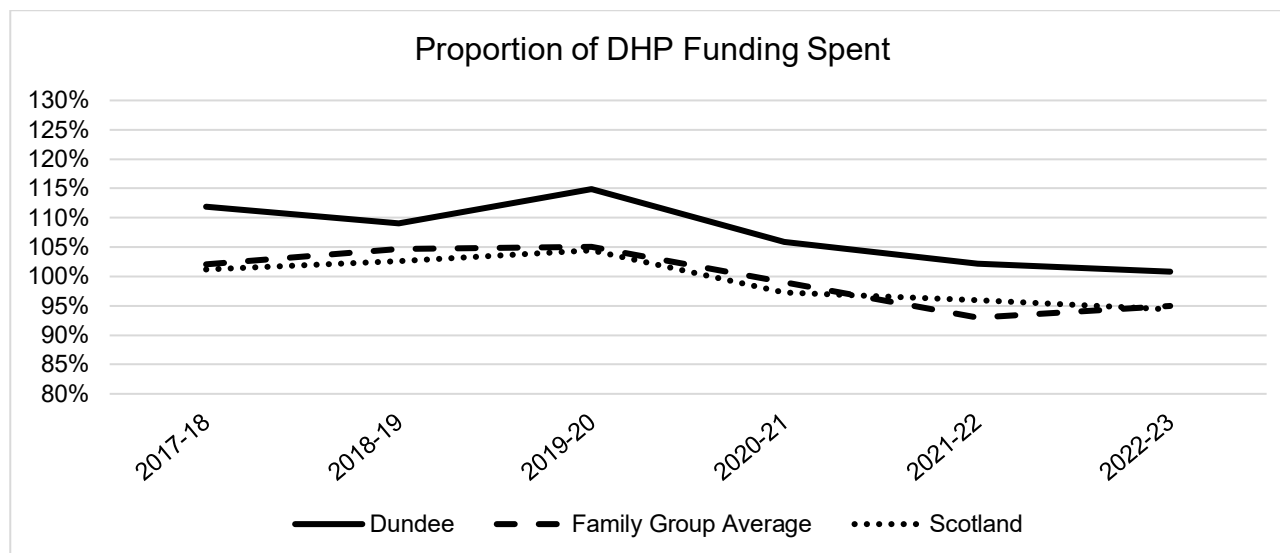
The proportion of SWF Crisis Grants decisions within 1 day in Dundee has fallen to 88.8% from 94.3% between 2021/22. This is a steepening of a decreasing trend that has been happening since 2019/20, even though the cost-of-living crisis has required that as many decisions are made within 1 day as possible.

The LGBF National Overview report notes that demand on Scottish Welfare Fund payments has grown significantly during recent years with growth in demand for SWF Grants up 49% nationally since 2019/20. This growth has impacted on the speed in allocating grants.

To improve the current percentage of decisions within 1 day, one of the key actions of the Council Plan is to prioritise welfare support grants to children and families.

## Proportion of Discretionary Housing Payment (DHP) Funding Spent

Performance Indicator	Previous Year	2022/23 On Target	Benchmark	Area for Improvement	Difference	Scottish Position
Proportion of DHP Funding Spent	102.2%	100.8%	95.0%		6%	5(↓1)



### Metadata

This indicator measures the proportion of DHP funding for the year spent at year end.

This measure provides useful and timely insight on policy critical issues such as vulnerability, poverty, and inequality & which will be increasingly important considering the cost-of-living crisis.

Data for this indicator is collected from Social Security Statistics published by Scottish Government.

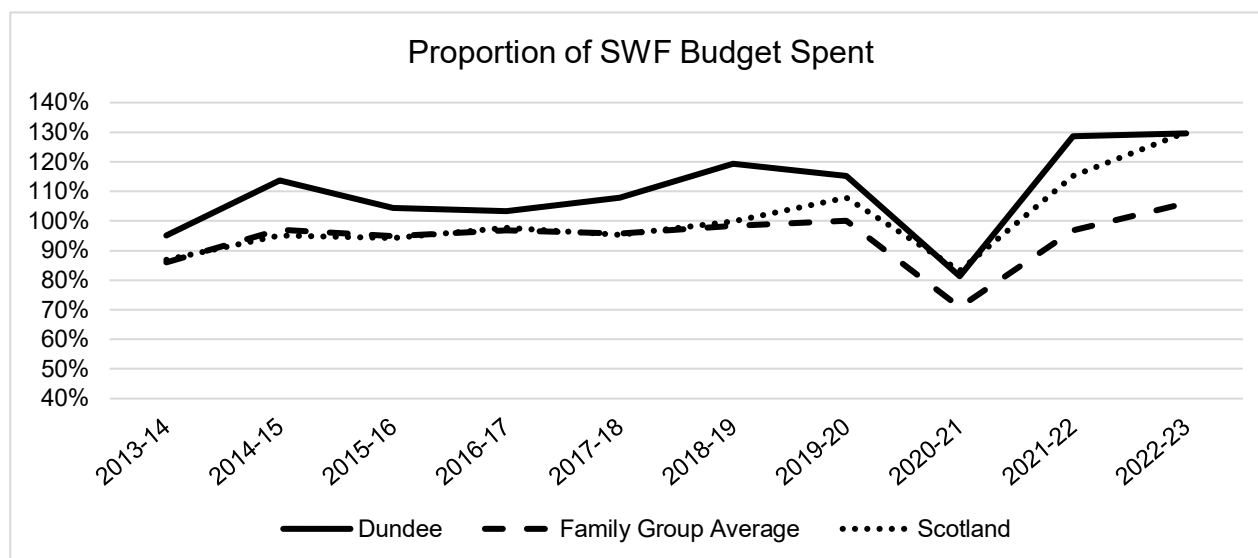
### Comments

Although the proportion of DHP spent by Dundee City Council has decreased between 2021/22 and 2022/23, Dundee remains above the family group average. As the graph above shows, Dundee City Council has had a consistently higher proportion of DHP Funding than the family group average since 2017/18, demonstrating that Dundee City Council's provision for people disadvantaged by vulnerability, poverty and inequality has been consistently on target.

One of the key actions of the Council Plan is to prioritise welfare support grants to children and families.

## Proportion of Scottish Welfare Fund Budget Spent

Performance Indicator	Previous Year	2022/23 On Target	Benchmark	Area for Improvement	Difference	Scottish Position
Proportion of SWF Budget Spent	128.6%	129.6%	106.0%		22%	16(↓7)



### Metadata

This indicator measures the proportion of the budget set out for Scottish Welfare Fund spent at year end.

This measure provides useful and timely insight on policy critical issues such as vulnerability, poverty, and inequality & which will be increasingly important considering the cost-of-living crisis.

Data for this indicator is collected from Scottish Welfare Fund statistics published by Scottish Government.

### Comments

The proportion of Scottish Welfare Fund spent by Dundee City Council has increased marginally, and this figure remains above the family group. As the graph above shows, Dundee City Council has had a consistently higher proportion of SWF Funding than the family group average since 2017/18, demonstrating that Dundee has been able to provide the resources to people disadvantaged by vulnerability, poverty, and inequality.

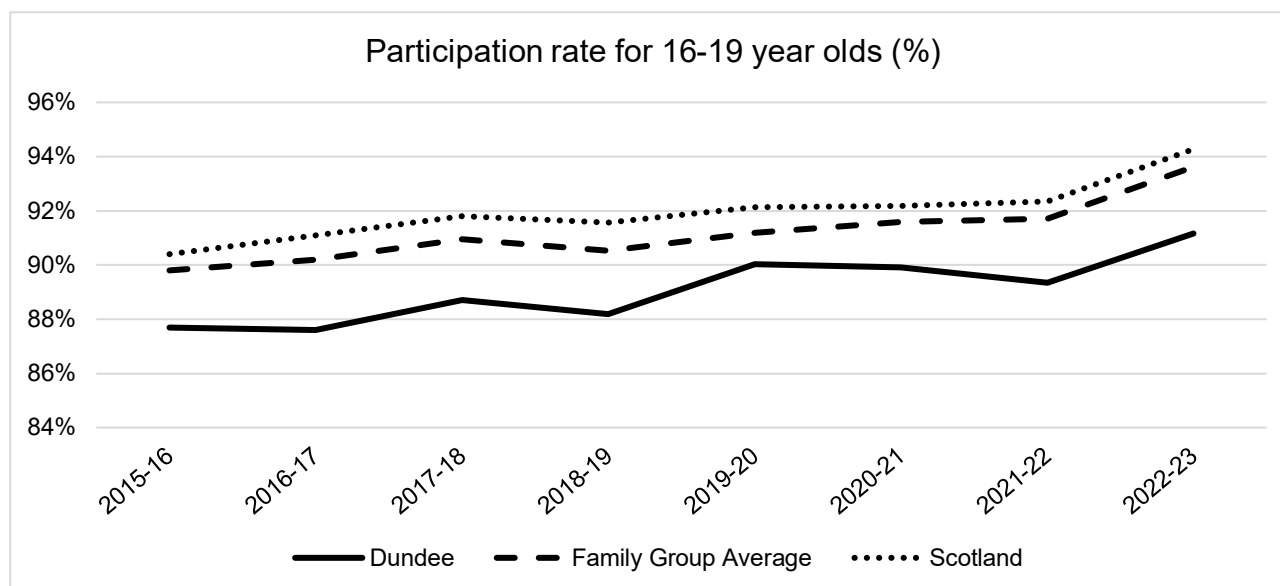
One of the key actions of the Council Plan is to prioritise welfare support grants to children and families.

## DELIVER INCLUSIVE ECONOMIC GROWTH INDICATORS

Benchmark is Family Group Average		Deliver Inclusive Economic Growth					
Performance Indicators	Previous Year	On Target	Benchmark	Area for Improvement	Difference	Scottish Position (previous year up or down)	Lead Service
Participation rate for 16–19-year-olds	89.4%		93.6%	<b>91.2%</b>	3%	32(0)	CD
% of unemployed people assisted into work from council operated / funded employability programmes	26.3%		21.5%	<b>13.5%</b>	37%	15(↓6)	CD
% of procurement spend spent on local enterprises	36.0%	<b>38.9%</b>	28.9%		35%	4(↑5)	CS
Claimant Count as a % of 16-24 Population	5.8%	<b>4.3%</b>	4.5%		4%	25(↑1)	CD
Claimant Count as a % of Working Age Population	5.7%		4.0%	<b>4.3%</b>	8%	26(↑2)	CD
Immediately available employment land as a % of total land allocated for employment purposes in the local development plan	79.7%	<b>76.9%</b>	31%		148%	4(↑3)	CD
Investment in Economic Development & Tourism per 1,000 Population	£84,961	<b>£104,217</b>	£110,200		5%	13(↑7)	CD
No of business gateway start-ups per 10,000 population	16.2	<b>14.8</b>	13.8		7%	17(↓1)	CD
Proportion of people earning less than the living wage	10.2%	<b>7.2%</b>	8.1%		11%	3(↓1)	CE
Average time per business and industry planning application (weeks)	15.2		10.6	<b>11.6</b>	9%	18(↑8)	CD

## Participation rate for 16–19-year-olds (%)

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
Participation rate for 16–19-year-old	89.4%		93.6%	91.2%	-3%	32(0)



### Metadata

This indicator measures the proportion (%) of 16–19-year-olds that are engaged in learning, training, or work (including volunteer work). The annual measure takes account of all statuses for individuals over the course of the year rather than focusing on an individual's status on a single day.

This indicator allows to identify the participation status of the wider 16-19 cohort.

Data is collected by the IS from the Skills development Scotland publication: *'Participation of 16–19-year-olds in learning, training, and work.'*

### Comments

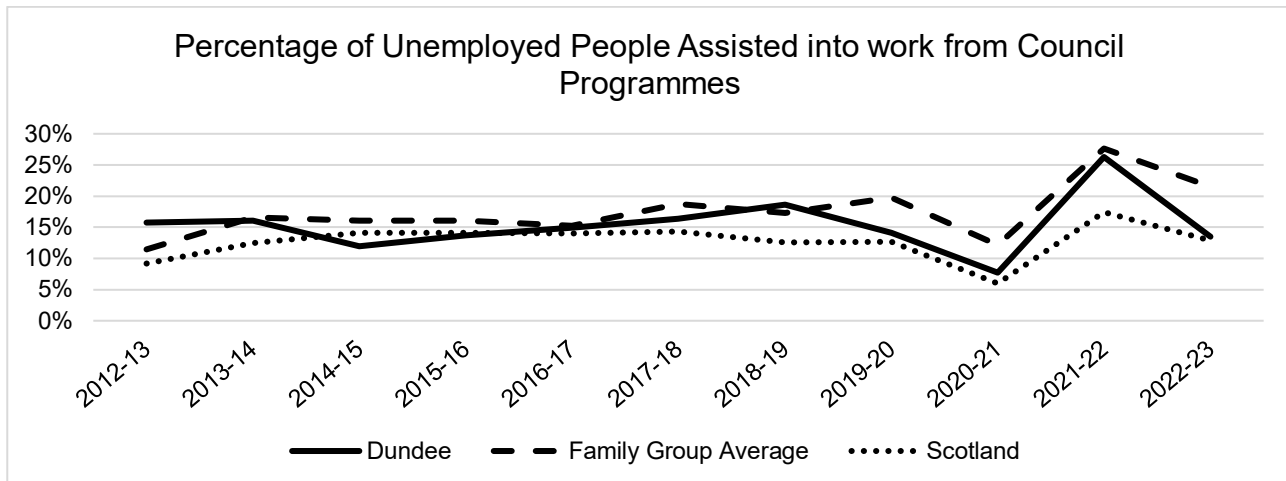
The participation rate for 16–19-year-olds in Dundee has improved between 2021/22 and 2022/23. However, the average for Dundee City Council is still below the benchmark and this remains an area for improvement. This has been an indicator where Dundee has been consistently below the family group average since the baseline year of 2015/16.

There are two key actions in the Council to improve the participation rate in Dundee. Firstly, to increase and enhance employment pathways, in particular supporting around 11,000 economically inactive people towards job seeking and 16–19-year-olds into positive destinations, and secondly maximise apprenticeship opportunities within the Council and working with schools to promote the Council as an employer of choice.

A Youth Participation Task and Finish Group was established to develop further actions which promote improvements to 16–19-year-olds finding positive destinations. Their report, which included a new Youth Participation Improvement Plan, was approved by the City Governance Committee on 22<sup>nd</sup> April. This focuses on how partnership working across Council services, and third sector and private sector organisations will collaborate during a young person's school years and, vitally, during the transition to, and throughout post school life.

## Percentage of Unemployed People Assisted into work from Council Programmes

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
% of unemployed people assisted into work from council operated / funded employability programmes	26.3%		21.5%	13.5%	-37%	15(,6)



### Metadata

This indicator measures the total number of registered unemployed people in a year who have received support from a Council funded or operated employability programme and who go on to access employment.

Unemployment is a key priority for most Councils and most participate in employment related support. The indicator relates to effectiveness of the service by focusing on those individuals that actually access employment following support. Through accessing employment, an individual gains not only a positive economic outcome, but can typically also lead to improvements across a wider range of outcomes and reductions in demand for public services.

Each council's Employment Service performance management information is provided directly to the IS for this indicator. This is calculated as a proportion of the modelled employment count in the Annual Population Survey by ONS.

### Comments

This indicator shows that the percentage of unemployed people assisted into work from council programmes has decreased by almost half between 2021/22 and 2022/23. However, caution is advised when using this indicator to analyse the performance of employability support delivered or commissioned by the Council, on behalf of the Discover Work Partnership. One key reason for the decrease in the previous year is that 2022/23 was the first year which has counted unique individuals assisted into employment rather than total individuals, meaning previously the data has included instances where an individual has been counted more than once. It is also important to note that the indicator uses the term unemployed, which does not reflect the total number of people seeking work, including those who are economically inactive and also receive employability support.

If analysed in isolation, this indicator would be an area for improvement for Dundee as it is below the benchmark. But the indicator should not be analysed in isolation as there are also performance indicators within the service data which help to provide a more rounded representation of performance. For example, within the SLAED Indicators, which is used to inform the LGBF Indicator, Dundee performs very well with 43% of unique participants successfully supported into employment - which is the 10th highest of local authorities in Scotland, and 3rd highest in the LGBF family group. In addition, the cost per unique participant successfully supported into employment is £4,085, which is the 10th lowest cost nationally and the 5th lowest in the family group. It is also important to consider that the LGBF does not account for a significant proportion of people that employability support assisted into other positive destinations such as further and higher education and

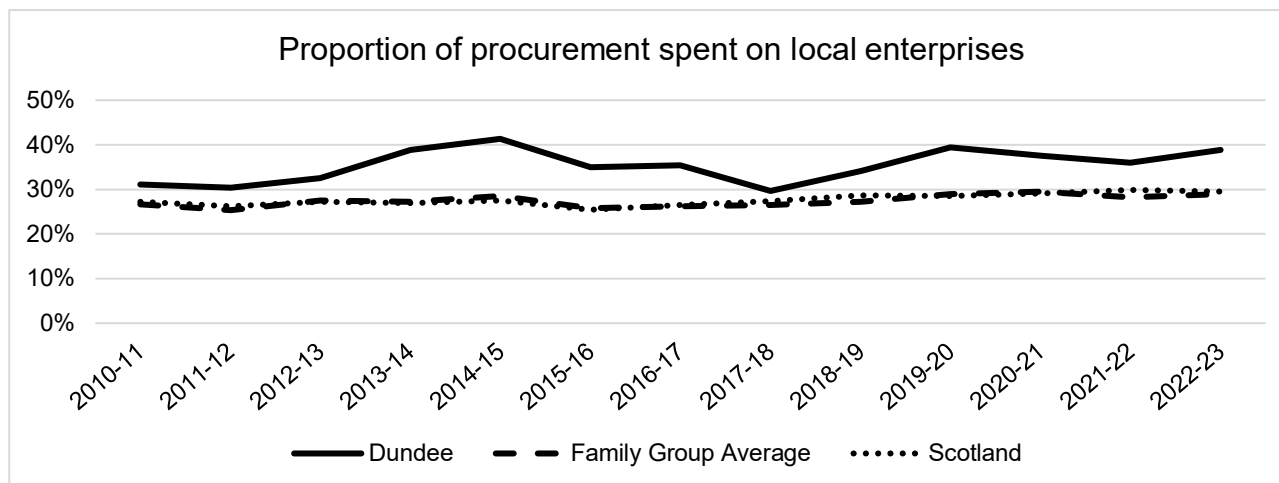
training, or people who were initially employed and supported to increase their working hours / income or get a more secure job.

Employability services funded by Discover Work will continue to support unemployed, economically inactive, and low-income employed people by providing best value for this service using the funding available from the Scottish and UK Governments. This includes using Parental Employment Support which will help to assist households as well as the No One Left Behind Fund which will focus on delivering support based around local need and priorities.



**% of procurement spend spent on local enterprises**

Performance Indicator	Previous Year	2022/23 On Target	Benchmark	Area for Improvement	Difference	Scottish Position
% of procurement spend spent on local enterprises	36.0%	38.9%	28.9%		35%	4(↑5)

**Metadata**

This indicator measures the proportion of procurement spent on local enterprises. This indicator only includes enterprises defined as “Core trade” i.e. where the councils spend is over £1,000. “Local” – is defined as enterprises within the same Local Authority.

This measure, focussing on the proportion of this spend which is targeted at local enterprises is an important indicator of the progress councils are making in delivering on their standing commitment to invest in their local economies and create employment.

Data is directly queried from the Procurement Hub by the IS

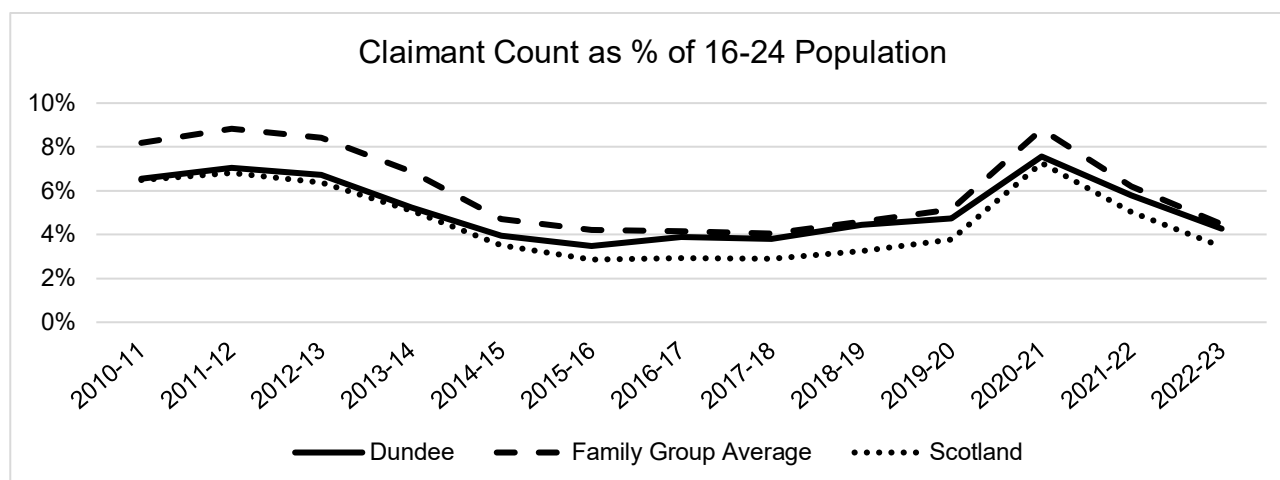
**Comments**

Dundee City Council’s proportion of procurement spent on local enterprises has increased between 2021/22 and 2022/23. The graph above shows that Dundee has also consistently had a higher procurement spend on local enterprises than both the family group and the Scottish average, demonstrating Dundee City Council’s commitment to its local economy.

To further this commitment, two key actions in the Council Plan are to increase the percentage of Dundee City Council Procurement spent with Dundee based organisations, and also to deliver an extensive community wealth building strategy, ensuring the maximum level of investment possible is retained within Dundee to support local jobs to support those local enterprises which Dundee City Council could support with procurement spend.

## Claimant Count as a % of 16-24 Population

Performance Indicator	Previous Year	2022/23 On Target	Benchmark	Area for Improvement	Difference	Scottish Position
Claimant Count as a % of 16-24 Population	5.8%	4.3%	4.5%		-4%	25(↑1)



### Metadata

This indicator measures the number of people aged 16-24 claiming either jobseeker's allowance or universal credit as a percentage of 16-24 age population.

Employability is a key policy objective and Local Authorities are currently working to deliver a range of employment support programmes. These schemes often include working in partnership with commercial and third sector providers. 16–24-year-olds have been disproportionately affected by the pandemic.

Data is sourced from the ONS NOMIS Data Portal. NOMIS uses MYE Population Estimates published by National Records of Scotland (NRS) for population figures.

### Comments

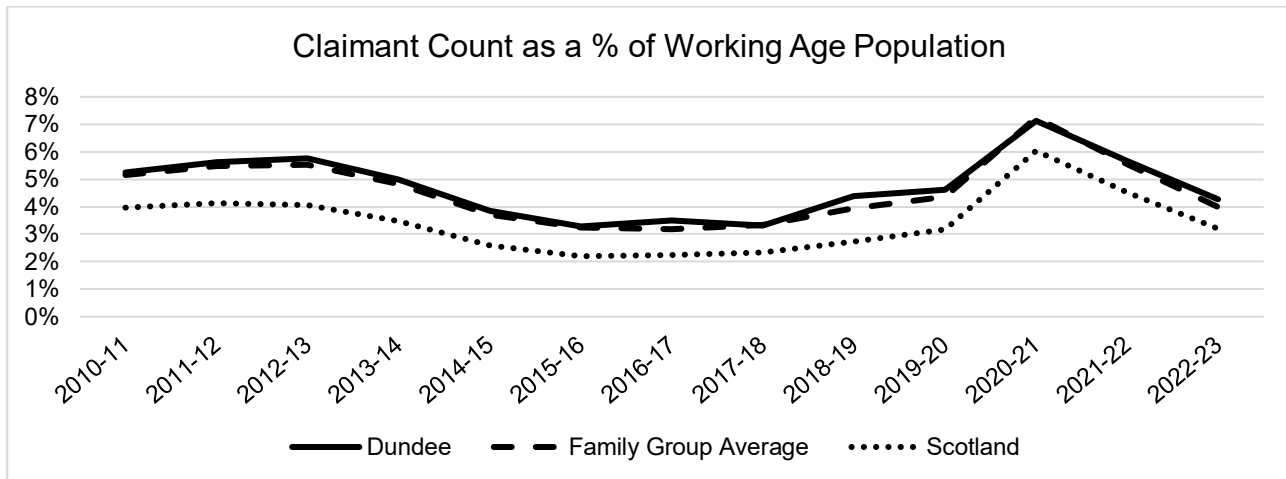
The claimant count as a % of 16-24 population in Dundee has improved between 2021/22 and 2022/23, continuing the decrease since the peak in 2020/21 that was due to Covid. The graph above shows that over the past decade, the claimant count as a percentage of Dundee's 16-24 aged population has remained at a similar level to the family group average, although Dundee's claimant count is currently slightly lower.

The Council will further aim to improve this by a number of actions which will help to increase the number of jobs available for younger people:

- Increase and enhance employment pathways, in particular supporting around 11,000 economically inactive people towards job seeking and 16–19-year-olds into positive destinations.
- Maximise apprenticeship opportunities within the Council and working with schools to promote the Council as an employer of choice.
- Deliver an extensive community wealth building strategy, ensuring the maximum level of investment possible is retained within Dundee to support local jobs.
- Continue to grow the number of jobs within Dundee Waterfront
- Increase the percentage of care experienced young people in positive destinations.

## Claimant Count as a % of Working Age Population

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
Claimant Count as a % of Working Age Population	5.7%		4.0%	4.3%	8%	26(12)



### Metadata

This indicator measures the number of people of working age claiming either jobseeker's allowance or universal credit as a percentage of the working age population.

Employability is a key policy objective and Local Authorities are currently working to deliver a range of employment support programmes. These schemes often include working in partnership with commercial and third sector providers.

Data is sourced from the ONS NOMIS Data Portal. NOMIS uses MYE Population Estimates for population figures.

### Comments

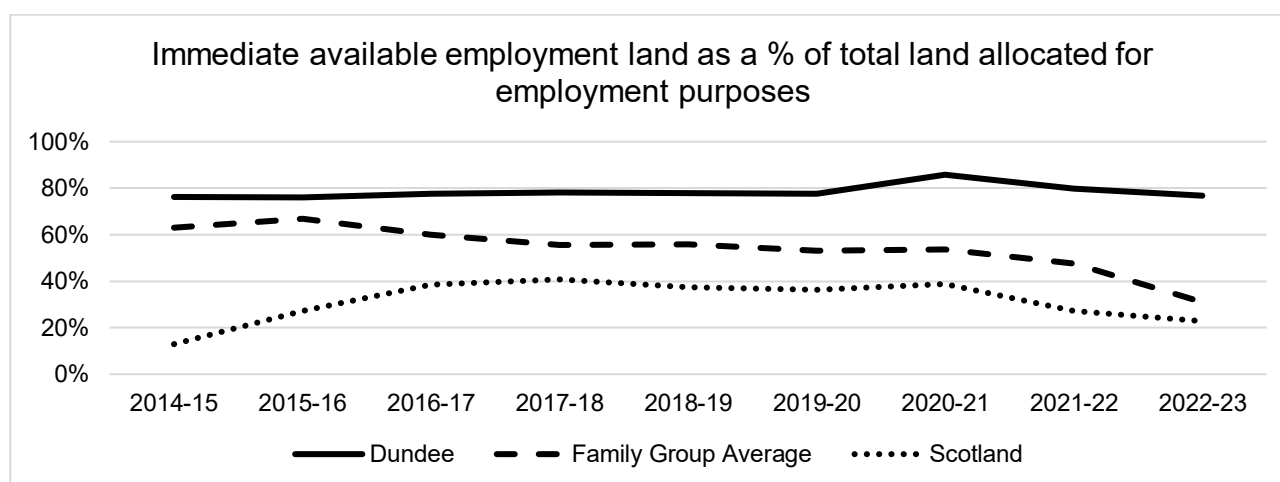
The claimant count as a % of working age population in Dundee has improved between 2021/22 and 2022/23, continuing the decrease since the peak in 2020/21 that was due to Covid. The graph above shows that over the past decade, the claimant count as a percentage of Dundee's working age population has remained at a similar level to the family group average, although Dundee's claimant count is currently slightly higher.

The Council will further aim to improve this by a number of actions which will help to increase the number of jobs available for working aged people:

- Increase and enhance employment pathways, in particular supporting around 11,000 economically inactive people towards job seeking and 16–19-year-olds into positive destinations.
- Maximise apprenticeship opportunities within the Council and working with schools to promote the Council as an employer of choice.
- Deliver an extensive community wealth building strategy, ensuring the maximum level of investment possible is retained within Dundee to support local jobs.
- Continue to grow the number of jobs within Dundee Waterfront. Increase the percentage of care experienced young people in positive destinations.

### Immediately available employment land as a % of total land allocated for employment purposes in the local development plan.

Performance Indicator	Previous Year	2022/23 On Target	Benchmark	Area for Improvement	Difference	Scottish Position
Immediately available employment land as a % of total land allocated for employment purposes in the local development plan	79.7%	76.9%	31%		148%	4(↑3)



#### Metadata

This indicator measures immediately available employment land as a % of total land allocated for employment purposes in the local development plan.

The availability of land for development is a significant factor that affects local economic growth, and it falls within Councils' local development planning powers to influence this. This measure shows how 'investor ready' and competitive a Council is in providing infrastructure to do business.

Data for this indicator is submitted by councils as part of their annual return under the SLAED Indicators Framework.

#### Comments

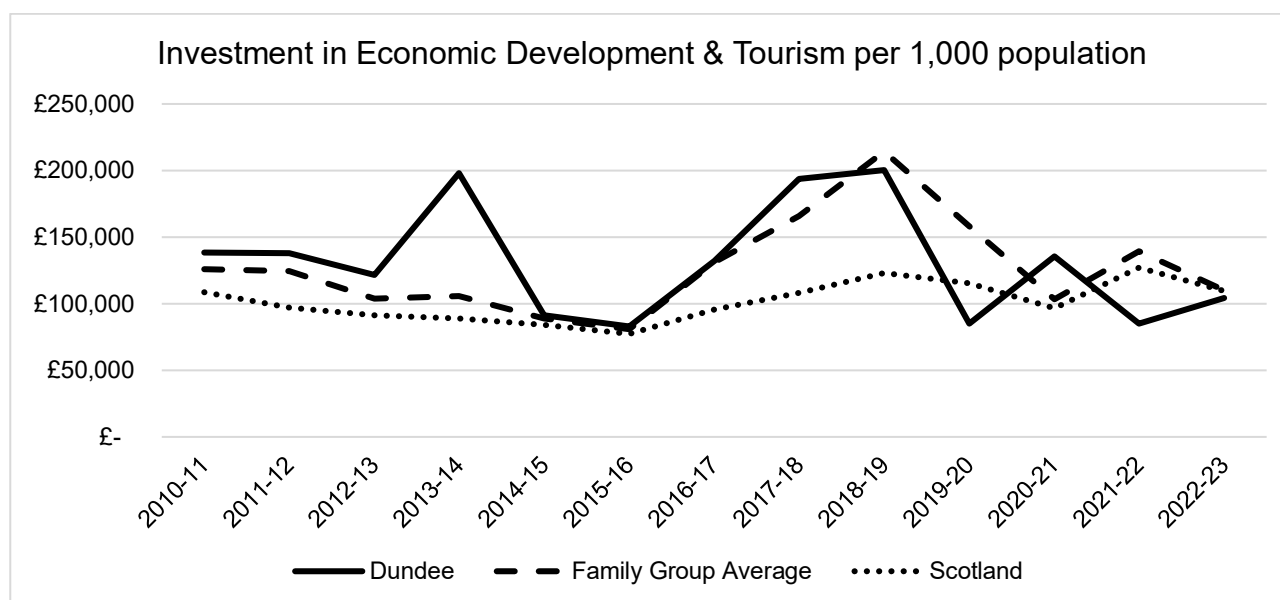
The graph above shows that Dundee has an exceptionally higher proportion of land allocated for employment purposes when compared to the family group average and the Scottish average. This demonstrates that Dundee City Council is competently providing infrastructure for business.

To help facilitate future economic development, Dundee City Council has a number of plans and strategies that will be focused on delivering inclusive economic growth including community wealth building. These include:

- Tay Cities Regional Economic Strategy & Action Plan
- Tay Cities Regional Deal Document
- Dundee Local Development Plan
- City Centre Strategic Investment Plan
- 2001 – 2031 Waterfront Masterplan

## Investment in Economic Development & Tourism per 1,000 Population

Performance Indicator	Previous Year	2022/23 On Target	Benchmark	Area for Improvement	Difference	Scottish Position
Investment in Economic Development & Tourism per 1,000 Population	£84,961	£104,217	£110,200		-5%	13(↑7)



### Metadata

This indicator measures the Investment in Economic Development & Tourism per 1,000 Population.

This indicator provides a measure of each Council's expenditure on the delivery of their economic development service, both in terms of capital projects and revenue costs. Councils' continued investment in direct economic development activities achieves significant outcomes.

This data is initially provided directly by Councils to the Improvement Service via a separate return. This is later refreshed using the published LFR. Population is taken from mid-year (June) estimates from the National Records of Scotland (NRS).

### Comments

Dundee City Council's investment in economic development and tourism per 1,000 in 2022/23 was roughly equal to the family group average and is equal to the benchmark. It is also worth noting that over the course of the last decade, Dundee has invested significantly in economic development and tourism in 2013/14, 2017/18 and 2018/19. A significant amount of this total will have been for the development of the city's waterfront as part of the 2001 – 2031 Waterfront Masterplan.

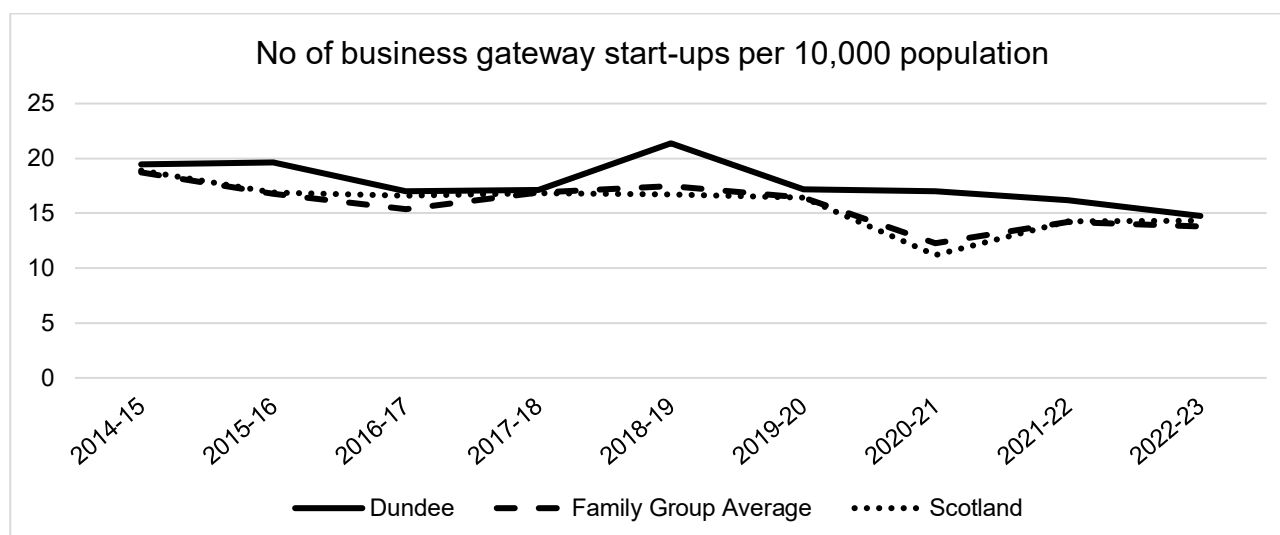
The Council will commit the appropriate investment in its strategic priority on delivering inclusive economic growth including community wealth building through a range of plans and strategies along with our partners.

These include:

- Tay Cities Regional Economic Strategy & Action Plan
- Tay Cities Skills Investment Plan
- Tay Cities Region Tourism Strategy
- Dundee City Events Strategy
- Dundee Local Development Plan
- City Centre Strategic Investment Plan

## No of business gateway start-ups per 10,000 population

Performance Indicator	Previous Year	2022/23 On Target	Benchmark	Area for Improvement	Difference	Scottish Position
No of business gateway start-ups per 10,000 population	16.2	14.8	13.8		7%	17(↓1)



### Metadata

This indicator provides the rate of business gateway start-ups per 10,000 population. In looking at the intermediate outcome of BG Start-up support, the key economic outcome is that the business has begun trading. This measure seeks to capture this aspect of the route to impact.

This high-level indicator is important because new business formation is a good indicator of how conducive we are to entrepreneurship in the business environment. Small businesses are the lifeblood of local town centres and communities. A fundamental aim of Local Government is to improve the business creation and growth of small businesses in their areas.

Data for number of start-ups trading this indicator is collected from Business Gateway National Unit, COSLA. Population is taken from mid-year (June) estimates from the National Records of Scotland (NRS).

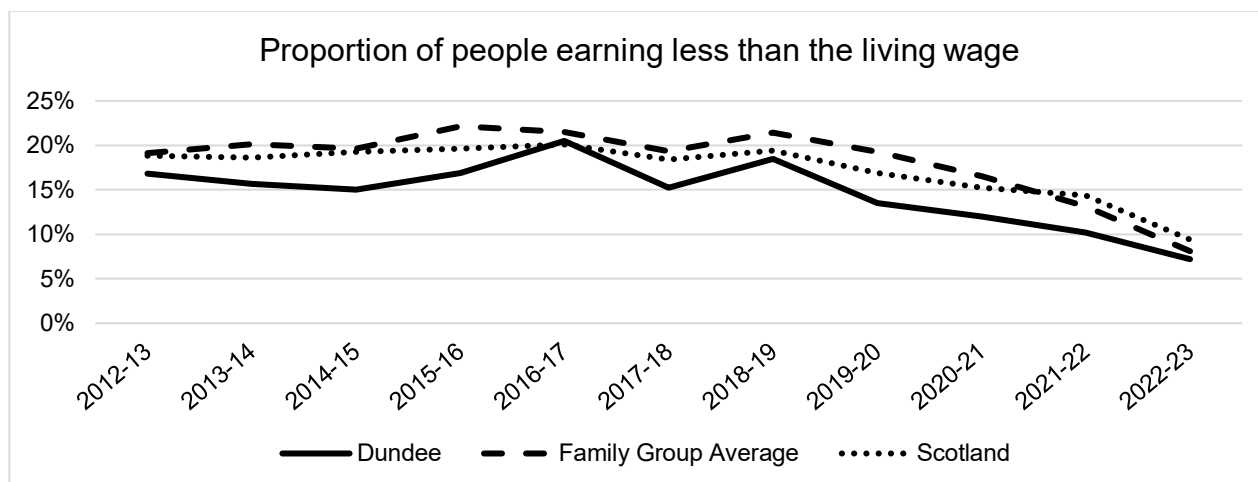
### Comments

The number of business gateway start-ups per 100,000 in Dundee has decreased between 2021/22 and 2022/23. However, Dundee has a higher rate of start-ups per population than the family group average, which suggests that Dundee City Council is able to provide a conducive environment for entrepreneurship relative to other similar councils. However, the rate has decreased in Dundee since 2018/19, and it is now at the lowest point for Dundee since the indicator was introduced to the Benchmarking Framework in 2014/15.

To further improve on providing a conducive environment for start-ups and entrepreneurship, Dundee City Council has committed as a Council Plan action to increase the number of start-ups and SMEs in the city and support their expansion.

**Proportion of people earning less than the living wage**

Performance Indicator	Previous Year	2022/23 On Target	Benchmark	Area for Improvement	Difference	Scottish Position
Proportion of people earning less than the living wage	10.2%	7.2%	8.1%		-11%	3(↓1)



**Metadata**

This indicator measures the percentage of employees (18+) earning less than the real living wage. The real living wage rates have been independently calculated by the Resolution Foundation according to the cost of living based on household goods and services.

Inclusive growth is a central part of the government’s economic strategy, and local authorities are important partners in the drive to reduce income inequality. Economic Development Services play an important role in this through supporting people to develop the skills to progress in the labour market, by attracting higher value employment opportunities and by encouraging employers to pay the living wage.

Data for this indicator has been collected from the ONS publication ‘*Annual Survey of Hours and Earning.*’

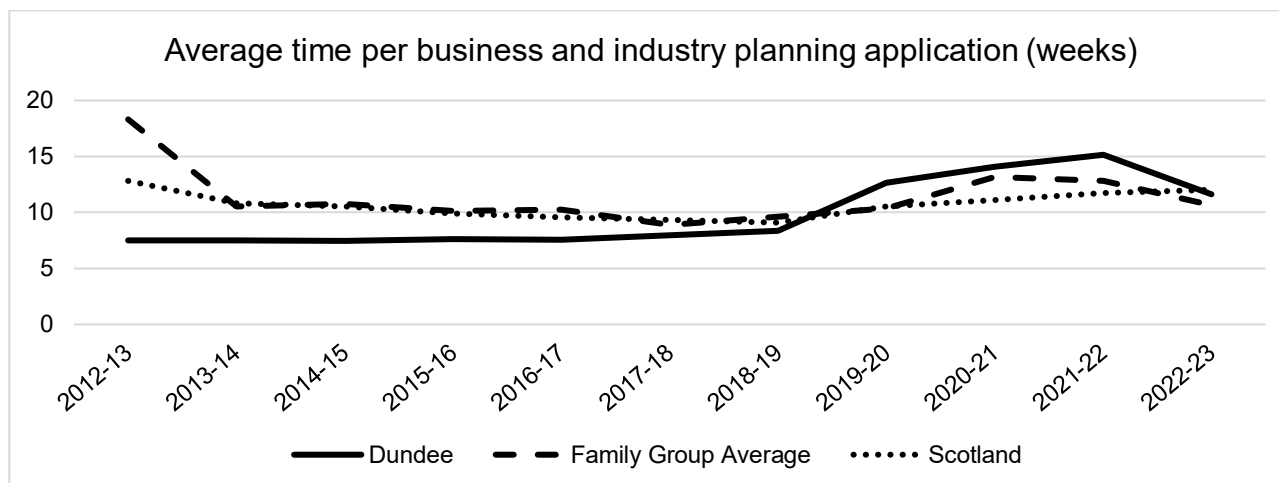
**Comments**

The proportion of people earning less than the living wage in Dundee has improved between 2021/22 and 2022/23. The figure for Dundee is lower than the family group average, and this indicator has decreased in Dundee every year since 2018/19, showing that Dundee City Council has made good and consistent progress in supporting an inclusive economy.

The Making Dundee a Living Wage City partnership recently marked 5 years since it was launched. The improvement shown in this indicator reflects the work done by this partnership, and they will continue to work towards further improvement to ensure that Dundee is a living wage city.

### Average time per business and industry planning application (weeks)

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
Average time per business and industry planning application (weeks)	15.2		10.6	11.6	9%	18(18)



#### Metadata

This indicator measures the average time taken to deliver a local business and industry planning application decision. For planning applications, developments are put into one of three categories: local, major, or national. The LGBF measure only includes local developments. Local developments include applications for changes to individual houses and smaller developments for new housing as well as applications covering areas of development such as minerals, business & industry, waste management, electricity generation, freshwater fish farming, marine finfish farming, marine shellfish farming, telecommunications, Approval of Matters Specified in Conditions (AMSCs) and other developments. Most applications will be for local developments.

Although spend on planning accounts for a small amount of overall spend this is a strategically important area in terms of the future development and use of land in our towns, cities, and countryside. An efficient and well-functioning planning service plays an important role in facilitating sustainable economic growth and delivering high quality development in the right places.

Data is directly taken from the latest 'Planning Performance Statistics' publication on the Scottish Government website.

#### Comments

The average time per business and industry planning application has decreased in Dundee between 2021/22 and 2022/23. This improvement is a reversal of the upward trend between 2018/19 and 2021/22, showing that Dundee City Council's planning services are improving in their ability to facilitate sustainable economic growth and deliver high quality development in the right places.

Last year, this was identified as an area for improvement. Timescales for determining applications were impacted during the last financial year due to staff vacancies in the planning team. These posts have now been filled and there is a focus on improving performance in this area.

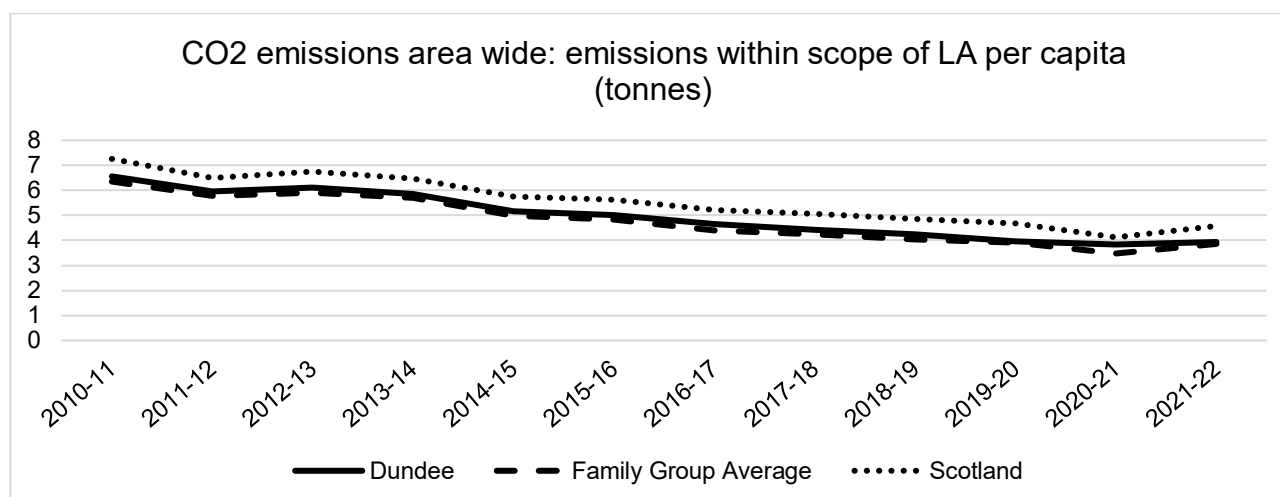


## TACKLE CLIMATE CHANGE AND REACH NET ZERO EMISSIONS BY 2045 INDICATORS

Benchmark is Family Group Average	Tackle Climate Change and reach Net Zero emissions by 2045						
Performance Indicator	Previous Years	On Target	Benchmark	Area for Improvement	Difference	Scottish Position (previous year up or down)	Lead
CO2 emissions area wide: emissions within scope of LA per capita (2021/22)	3.8		3.85	<b>3.93</b>	2%	7(↑6)	CD
CO2 emissions from Transport per capita (2021/22)	18.7		18.25	<b>19.52</b>	7%	12(↑4)	CD
% of council dwellings that are energy efficient (2021/22)	87.1%		91.8%	<b>87.2%</b>	5%	14(↓2)	NS
% of total household waste arising that is recycled	32.6%		40.8%	<b>34.0%</b>	17%	28(↑1)	NS

## CO2 emissions area wide: emissions within scope of Local Authority per capita

Performance Indicator	Previous Year	On Target	Benchmark	2021/22 Area for Improvement	Difference	Scottish Position
CO2 emissions area wide: emissions within scope of LA per capita (2021/22)	3.8		3.9	3.9	2%	7(↑6)



### Metadata

This indicator records the annual carbon dioxide emissions per capita (in tonnes) in the local authority area that are **within the scope of influence** of the local authority. This excludes certain emissions which it has been considered local authorities are unable to directly influence, including emissions from motorway traffic, emissions from diesel railways, emissions from the Land Use, Land Use Change and Forestry sector and emissions from sites within the EU ETS (except power stations).

Climate Change is a major policy agenda for local government. The focus on green recovery and sustainability within local and national Covid-19 recovery and renewal plans provide a further impetus for this. Progress within this indicator contributes to national carbon reduction targets.

Data is collected from the Scottish Government 'UK local authority and regional carbon dioxide emissions national statistics publication.' There is a two-year lag in data publication.

### Comments

Dundee's CO2 emissions within scope of Local Authority per Capita has risen marginally between 2020/21 and 2021/22. This is the first time there has been an increase in this indicator for Dundee since the Benchmarking Framework was established. However, this is not unique to Dundee as the family group average has also increased in the past year, as has the Scotland average.

Dundee City Council will continue to focus on tackling climate change and reach net zero by 2045, and the Council has a number of plans and strategies for this:

- Dundee Climate Action Plan
- Regional Transport Strategy
- Waste and Recycling Strategy Action Plan 2020-25
- Dundee Biodiversity Action Plan 2020-30
- Local Food Growing Strategy

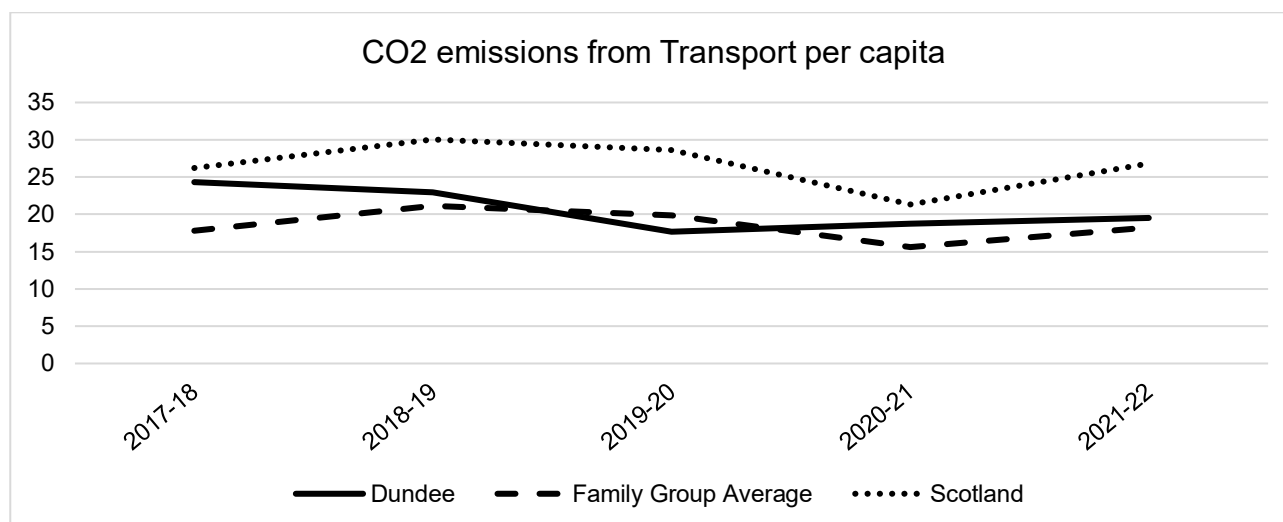
In response to Dundee declaring a climate emergency a city-wide Climate Action Plan was prepared that set out a first set of ambitious actions under the themes of Energy, Transport, Waste and Resilience to support Dundee in a just transition to a net-zero and climate resilient future by 2045 at the latest. The Council has invested around £60 million over the last three years to tackle climate change and additional projects will bring the total to almost £115m by 2026.

The Dundee Climate Fund is one of the key Council Plan actions and the new fund will run for four years and is designed to raise awareness of climate change while supporting communities to identify and vote on local projects. Other key Council Plan actions include;

- Deliver the Low Emission Zone to improve air quality.
- Develop a city-wide Local Area Energy Plan and Local Heat and Energy Efficiency Strategy in partnership with the Dundee Climate Leadership Group.
- Develop and implement a Net Zero Transition Plan and Carbon Budget for DCC.
- Provide further opportunities for pedestrianised areas, pocket parks and support empowered communities to be partners and leaders on local plans and initiatives to develop biodiversity, local food growing and community spaces.

## CO2 emissions from Transport per capita

Performance Indicator	Previous Year	On Target	Benchmark	2021/22 Area for Improvement	Difference	Scottish Position
CO2 emissions from Transport per capita (2021/22)	18.7		18.3	19.5	7%	12(14)



### Metadata

This indicator reports transport emissions for the following:

Climate Change is a major policy agenda for local government. The focus on green recovery and sustainability within local and national Covid-19 recovery and renewal plans provide a further impetus for this. Progress within this indicator contributes to national carbon reduction targets.

The data for emissions come from 'Annual Local Authority Climate Report,' published by Sustainable Scotland Network.

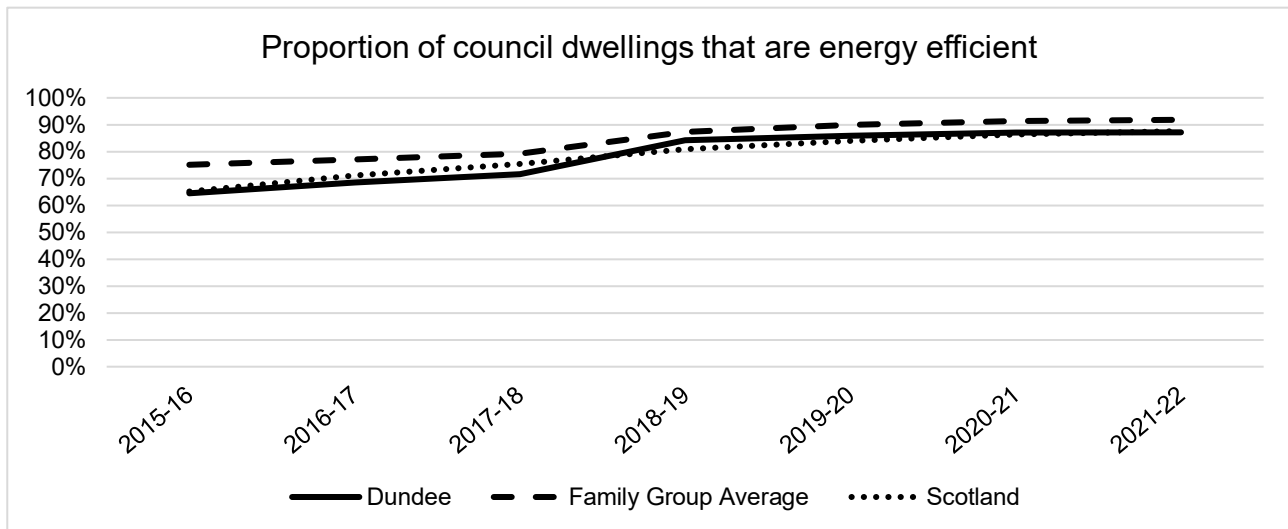
### Comments

CO2 emissions from Transport per capita is an area of improvement for Dundee City Council. Although There has been a decrease in these emissions since the baseline year of 2017/18 from 26.2 tonnes to 19.5 tonnes, emissions have increased from 18.7 tonnes in 2020/21 to 19.5 tonnes in 2021/22.

The Low Emission Zone is being introduced in Dundee City and will be enforced from 30<sup>th</sup> May 2024 to contribute to the Council meeting greenhouse emissions reductions targets as outlined within the Dundee Climate Action Plan published in 2019, and to help promote the city as an inclusive and desirable place to live, invest, visit, and learn.

## % of council dwellings that are energy efficient

Performance Indicator	Previous Year	On Target	Benchmark	2021/22 Area for Improvement	Difference	Scottish Position
% of council dwellings that are energy efficient (2021/22)	87.1%		91.8%	87.2%	-5%	14(↓2)



### Metadata

This indicator measures the percentage of council dwellings that meet the Energy Efficiency Standard for Social Housing (EESH) standard. The scope of Energy Efficiency Standard for Social Housing (EESH) is the same as for the Scottish Housing Quality Standard (SHQS): they both apply to self-contained homes, including a full range of facilities for the use of occupiers, provided for the purpose of social rent, and usually subject to tenancy agreements based on the model agreement for secure tenancies.

This indicator will allow councils to compare themselves against best practice on energy efficiency and will assist them in reducing CO2 emissions.

The Scottish Housing Regulator collects this data as part of their annual return. This is available on the Scottish Housing Regulator website.

### Comments

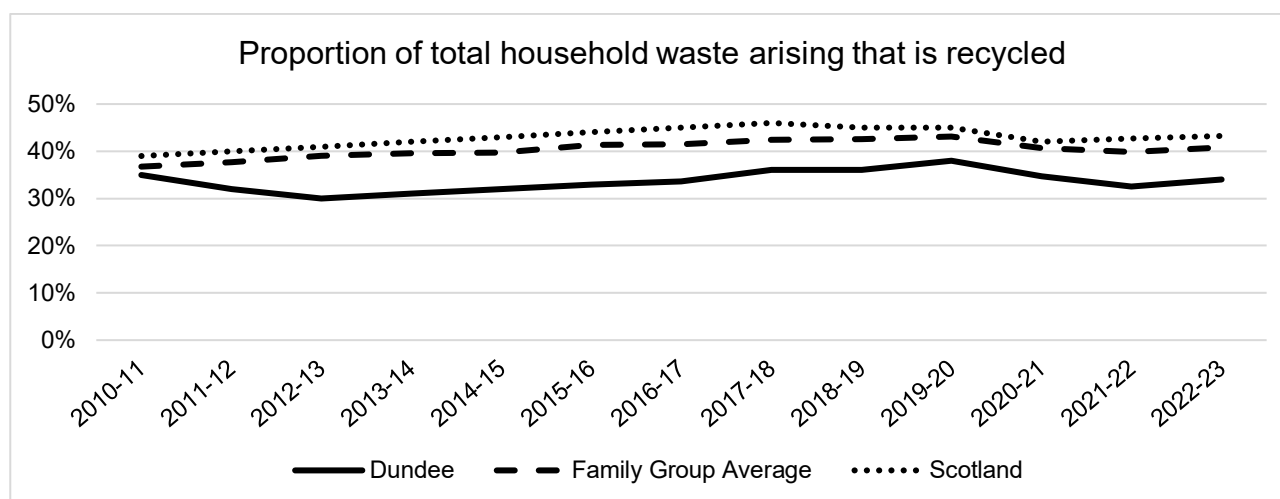
Energy efficiency has improved in Dundee City Council dwellings year on year since 2015-16. However, in the last 3 years, the percentage of council dwellings which are energy efficient has fallen behind the family group average.

As part of the ambitious Climate Action Plan, there is a focus on energy efficiency in council dwellings:

- Complete fabric improvements to outstanding domestic Council (and ex-Council properties in mixed-tenure blocks) stock to achieve the Energy Efficiency Standard for Social Housing (EESH) and wide range of technologies (including renewables) under consideration to allow compliance with the more exacting EESH2 standard by 2032.
- Continue to deliver a city-wide energy awareness campaign to improve energy efficiency behaviour in all households.

**% of total household waste arising that is recycled**

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
% of total household waste arising that is recycled	32.6%		40.8%	34.0%	-17%	28(↑1)

**Metadata**

This indicator shows the percentage of total waste arising that is recycled. It includes waste from household collection rounds, and other household collections such as bulky waste collections, waste deposited by householders at household waste recycling centres recycling points/ bring banks.

This outcome measure will be useful in supporting ecological targets for agreed reductions in land fill waste.

Household waste data is available on the SEPA website.

**Comments**

The proportion of total household waste recycled has improved in Dundee between 2021/22 and 2022/23. This follows a decrease in the proportion recycled for the two years previous improved by 1.4% over the year before to 34% and remain below the family group average of 40.8. SEPA is also further reviewing Dundee's overall recycling rate to include additional metals recycling from energy from Waste residues. This will further improve the 2022 rate once the amendment has been confirmed by SEPA and will be updated in future reports. This remains an area for improvement and a waste strategy is being implemented. In response to this challenge, the Waste and Recycling Strategy sets out Dundee City Council's long-term plans to maximise recycling and minimise general waste. It is a vital operation the Council delivers, and it is targeting increasing the percentage of waste recycled and working with communities to reduce the amount of waste being generated.

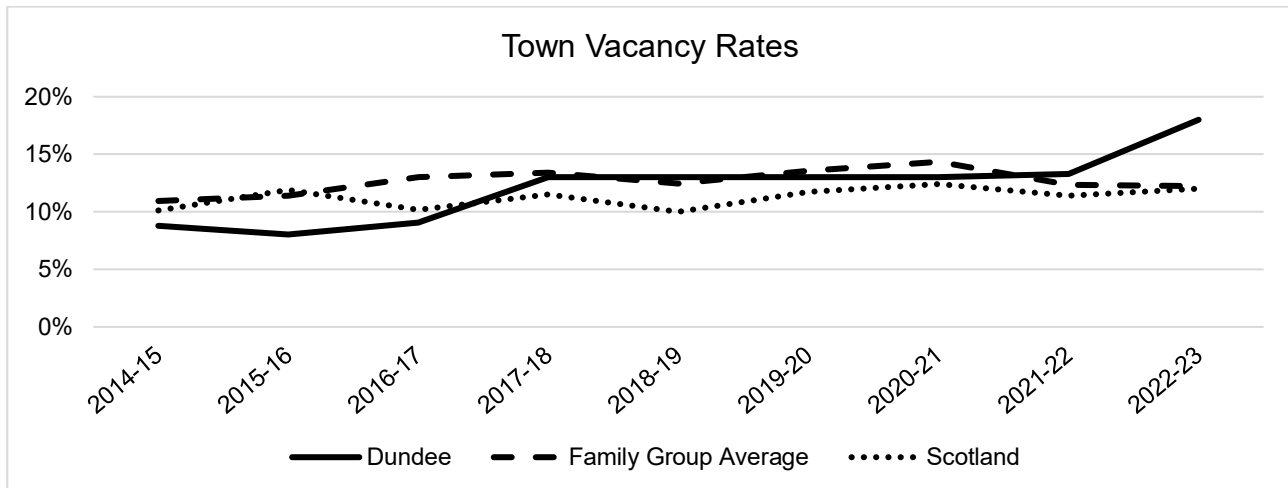
There is also a focus on the recycling of household waste in the Climate Action Plan to continue to communicate frequently with residents around waste/recycling services to improve participation and recycle quantity and quality.

## BUILD RESILIENT AND EMPOWERED COMMUNITIES INDICATORS

Benchmark is Family Group Average							
Build Resilient and Empowered Communities							
Performance Indicators	Previous Years	On Target	Benchmark	Area for Improvement	Difference	Scottish Position (previous year up or down)	Lead
Town Vacancy Rates	13.3%		12.3%	<b>18.0%</b>	46%	26(↓5)	CD
Street Cleanliness Score	88.9%		86.4%	<b>86.2%</b>	2%	26(↓4)	NS
% of council dwellings meeting Scottish Housing Standards	58.1%	<b>79.2%</b>	70.0%		13%	9(↑9)	NS
Average number of days taken to complete non-emergency repairs	8.1		9.9	<b>15.8</b>	60%	25(↓14)	NS

## Town Vacancy Rates

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
Town Vacancy Rates	13.3%		12.3%	18.0%	46%	26(↓5)



### Metadata

This indicator measures the number of vacant commercial units as a percentage of total units for the local authority's key town centres.

The vibrancy of town centres is a strategic priority for Economic Development and Planning Services. An important measure of the extent to which town centre management / regeneration policies and initiatives are working is the level of vacant units within town centres.

Data for this indicator is submitted by councils as part of their annual return under the SLAED Indicators Framework.

### Comments

Dundee City Council's town vacancy rates have increased between 2021/22 and 2022/23, following a period where they remained relatively unchanged between 2017/18 and 2020/21. This increase has led to town vacancy rates in Dundee being 50% more than the family group benchmark, meaning that the vibrancy of the town centre is an area of improvement.

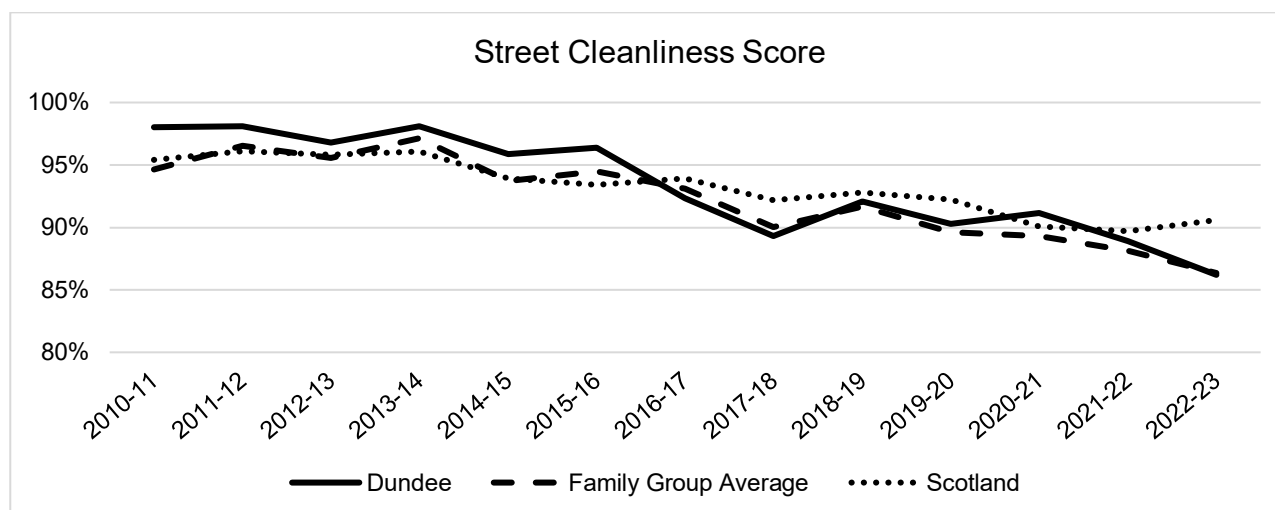
To improve this Dundee City Council will commit to a number of actions which are outline in the Council Plan:

- Implement the long-term City Centre Investment Plan to deliver a vibrant City Centre.
- Increase the number of start-ups and SMEs in the city and support their expansion.
- Deliver an extensive community wealth building strategy, ensuring the maximum level of investment possible is retained within Dundee to support local jobs.



## Street Cleanliness Score

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
Street Cleanliness Score	88.9%		86.4%	86.2%	0%	26(↓4)



### Metadata

This is a measure of the quality of the street cleansing services provided by councils. The cleanliness index is achieved following inspection of a sample of streets and other relevant land and includes % of streets receiving A and B code of practice definitions (i.e. no litter and predominately free of litter and refuse with no accumulations).

The Cleanliness Score (% areas assessed as clean using A and B Code of Practice definitions) allows authorities to manage for improvement by tackling litter problem areas to achieve better results. Various factors will affect the overall cleanliness within a council's area. These will include:

- Council policy on litter picking to a greater extent rather than street sweeping.
- The lack of litter bins, especially in town centres.
- Awareness and education of the public is a key priority, and this will be done through actions and campaigns to alert the general public to the problems associated with cleanliness and in particular dog fouling.
- The adoption and implementation of enforcement powers available to councils.

Keep Scotland Beautiful publishes this data on an annual basis.

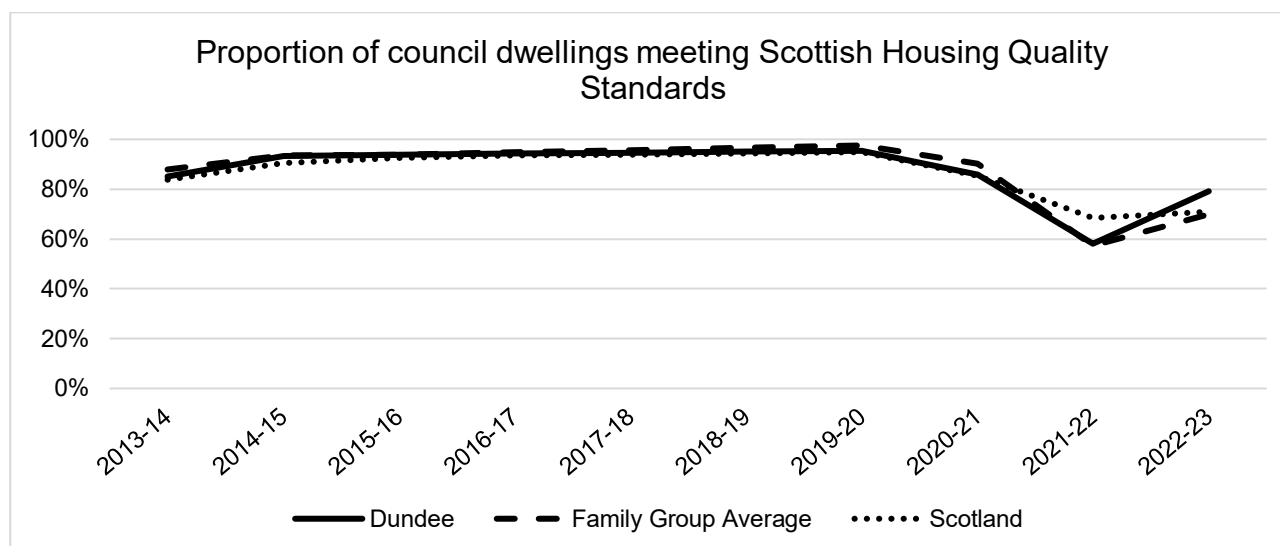
### Comments

There has been a decrease within the long-term trend of street cleanliness scores within the Family Group since 2010/11. Dundee mirrors this trend, with cleanliness scores between 2021/22 and 2022/23 decreasing. The KSB Litter Local Environmental Audit and Management System (LEAMS) monitors issues such as litter in partnership with Scotland's local authorities at a random selection of sites across Scotland every year. Whilst the aspirational target is 94%, Dundee's current score for 22/23 is 86.2. A dedicated plan to address this is currently being implemented which has identified priority locations, hotspots and specific routes which are being targeted with close monitoring going forward. This includes large mechanical and small compact sweeping routes and manual patrol beats. Initial work commenced in 2023 focusing on major sweeping of all main arterial routes citywide. This is continuing into 2024, alongside targeted community clean-ups and a number of other actions to tackle litter citywide under the 'Take Pride in your City' campaign, including hiring of a Deck Scrubber and employment of temporary street scene staff.

There is a focus on street cleanliness in the Climate Action Plan also.

## % of council dwellings meeting Scottish Housing Standards

Performance Indicator	Previous Year	2022/23 On Target	Benchmark	Area for Improvement	Difference	Scottish Position
% of council dwellings meeting Scottish Housing Standards	58.1%	79.2%	70.0%		13%	9(↑9)



### Metadata

This indicator measures the percentage of council dwellings that meet the Scottish Housing Quality Standard (SHQS). Properties within scope of the SHQS as defined in the Scottish Government's guidance, "General principle: means self-contained homes, including a full range of facilities for the use of occupiers, provided for the purpose of social rents, and usually subject to tenancy agreements based on the model agreement for secure tenancies."

The indicator shows progress towards meeting the Scottish Government's target that all council dwellings must meet the Scottish Housing Quality Standard (SHQS) by 2015 as part of the broader expectation placed on all social landlords.

The Scottish Housing Regulator collects this data as part of their annual return. This is available on the Scottish Housing Regulator website.

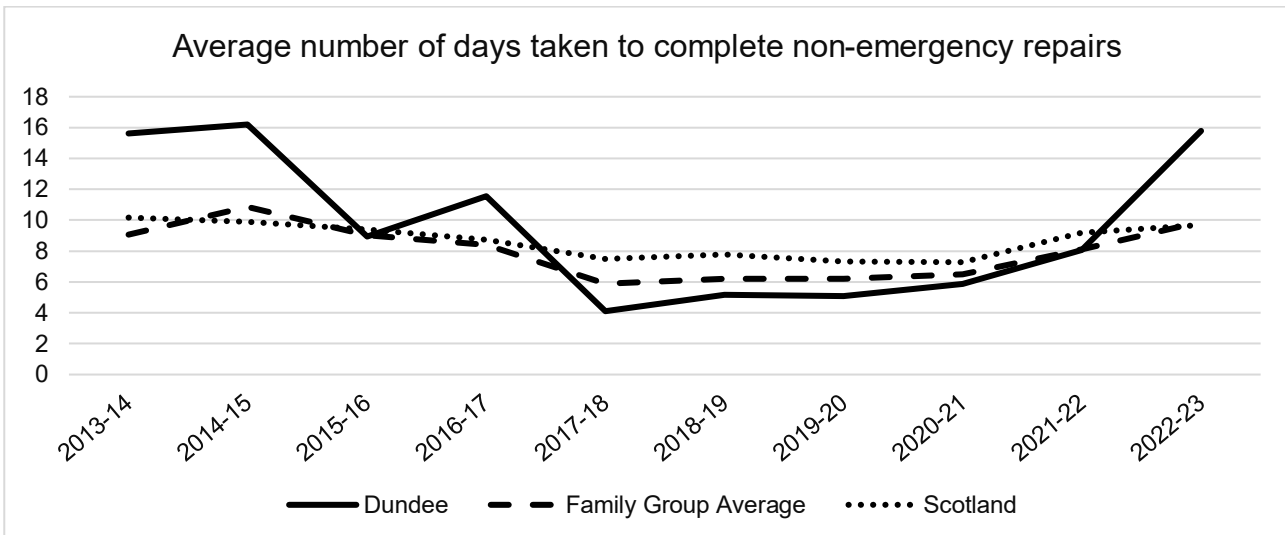
### Comments

The graph above shows that up until 2020/21, Dundee had had a high proportion of dwellings which were meeting Scottish Housing Standards which had been increasing over the previous decade. However, due to electrical testing becoming a requirement of SHQS the percentage of dwellings dropped in 2021/22, largely due to access issues. Both housing repairs and housing quality were affected by Covid related access issues and subsequent delays in carrying out key safety, inspection, and maintenance services. However, work has been done to clear the backlog of electrical testing from 2021/22 (and those which were due in 22/23). This has progressed well, and this is reflected in the reported figures for 2022/23 which show an increase from 58.1% to 79.2%.

As part of the Climate Action Plan, there is a focus on energy efficiency in council dwellings to complete fabric improvements to outstanding domestic Council (and ex-Council properties in mixed-tenure blocks) stock to achieve the Energy Efficiency Standard for Social Housing (EESH) and widen the range of technologies (including renewables) under consideration to allow compliance with the more exacting EESH2 standard by 2032.

### Average number of days taken to complete non-emergency repairs.

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
Average number of days taken to complete non-emergency repairs	8.1		9.9	15.8	60%	25(↓14)



#### Metadata

This is the average time taken (expressed in working days) between the earliest date a request is received by the landlord (from either the tenant or a repairs inspector) until the work is satisfactorily completed in the opinion of the landlord.

This customer-focused quality indicator is a useful measure which councils can use to help compare approaches to responding to repairs more quickly.

This data is taken from the Social Housing Charter publication produced by the Scottish Housing Regulator.

#### Comments

There has been a substantial increase in the number of days taken to complete non-emergency repairs in Dundee. There has also been an increase in the family group average, but this increase is more significant for Dundee. The Covid-19 lockdown had a significant impact on every landlord's ability to carry out repairs for tenants. This inability to carry out routine and planned maintenance led to the creation of a substantial backlog of outstanding repairs to both tenanted and void properties.

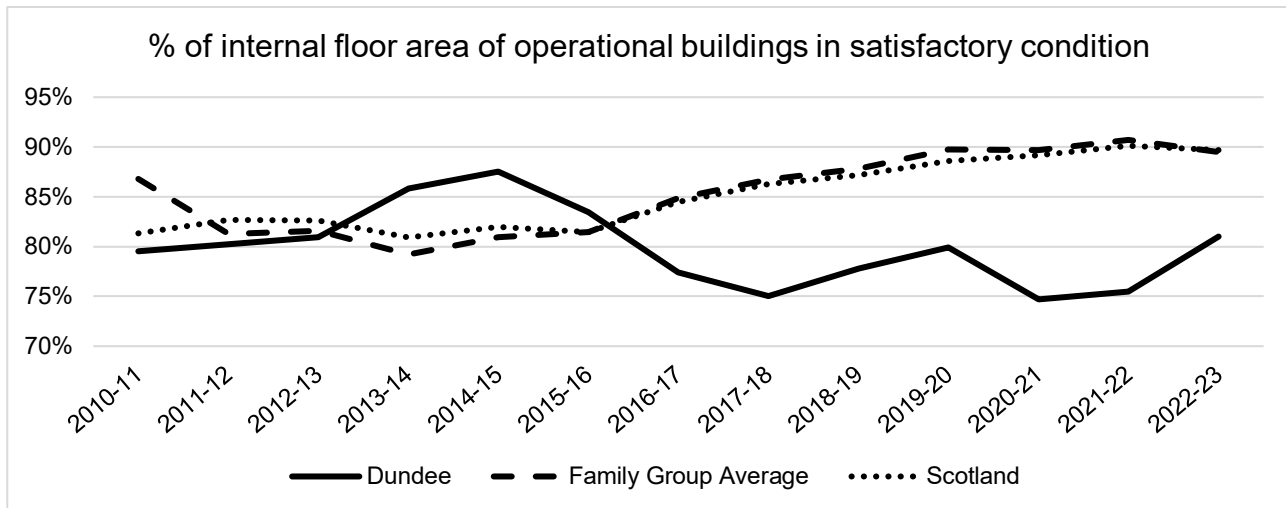
In response, the Housing Repairs and Relets Plan was approved by the Neighbourhood Regeneration, Housing and Estate Management Committee on the 13<sup>th</sup> of May 2024 which focused on tackling this repairs backlog of currently over c.4,800 outstanding repairs within the system. This proposed that Construction Services should solely focus its trades resources on work to the Council's housing stock for a period of approximately twenty weeks. Although Construction services would continue to carry out some Capital works during this time, workforce resources would be targeted at clearing the backlog in response repairs (as well as relets). Alongside the delivery of the proposed programme to remove the repairs and relet backlog, work will continue to modernise the design and delivery of the repairs service to deliver greater levels of customer satisfaction and value for money.

## DESIGN A MODERN COUNCIL INDICATORS

Benchmark is Family Group Average		Design a Modern Council					
Performance Indicators	Previous Years	On Target	Benchmark	Area for Improvement	Difference	Scottish Position (previous year up or down)	Lead
% of internal floor area of operational buildings in satisfactory condition	75.5%		89.5%	<b>81.0%</b>	9%	30(0)	CD
% of operational buildings that are suitable for their current use	83.0%	<b>86.1%</b>	85.9%		0%	17(↑7)	CD
Sickness absence days per employee (non-teacher)	14.7		13.8	<b>16.2</b>	17%	30(↓1)	CS
Sickness Absence Days per Teacher	4.8	<b>6.1</b>	6.3		3%	9(↓2)	CF
The gender pay gap (%)	1.1%	<b>0.3%</b>	1.0%		70%	6(↑1)	CS
Actual outturn as a percentage of budgeted expenditure	96.4%		99.8%	<b>97.8%</b>	2%	19(↑2)	CS
Total useable reserves as a % of council annual budgeted revenue	22.4%		24.1%	<b>19.2%</b>	20%	25(↓5)	CS
Uncommitted General Fund Balance as a % of council annual budgeted net revenue	5.1%	<b>4.4%</b>	5.2%		15%	11(↑2)	CS

**% of internal floor area of operational buildings in satisfactory condition**

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
% of internal floor area of operational buildings in satisfactory condition	75.5%		89.5%	81.0%	-9%	30(0)

**Metadata**

This indicator measures the proportion of internal floor area of operational buildings in satisfactory condition. "Gross internal floor area" is defined as the total internal floor surface area within the external walls. It includes space in cupboards, toilets, and cloakrooms etc. "Operational accommodation" is all property used for the delivery of services. It includes schools and temporary buildings but excludes rented housing stock and properties available for commercial let. "Satisfactory condition" means assessed as either performing as intended and operating efficiently or performing as intended but showing minor deterioration.

This indicator is important in terms of good asset management practice. Each council will have its own 'mix' of properties used for service provision. The choice of that mix is a matter for the council and will vary with a range of factors such as settlement pattern and population density.

Councils return this data direct to the Improvement Service.

**Comments**

There has been a notable improvement in gross internal floor area in satisfactory condition in Dundee City Council's operational buildings between 2021/22 and 2022/23. However, this remains as an area of improvement as Dundee City Council is still below the benchmark.

A key priority relevant to this indicator which will ensure that this proportion increases further is within the City Development Service Plan 2023/28. This to continue the Property Rationalisation programme which is intended to improve the overall condition of our estate, reduce energy consumption and climate emissions, and bring our building footprint down closer to the average of similar Councils across Scotland to reduce the amount of property occupied by the council that is classed as less than satisfactory condition.

The Property Rationalisation initiative will continue to work and support colleagues across all Services and L&CD to identify potential areas within the portfolio where the Council can vacate from existing older and less efficient properties to provide services from alternative modern functional premises. Community-based accommodation will form the next phase of property rationalisation reviews.

Demolitions Complete:

- 101 Whitfield Drive
- Marchbanks - Old Weighbridge Building, Old Wash Bay & 1950's Lean to Shed
- Camperdown Park Sawmill
- Law Nursery

On-hold:

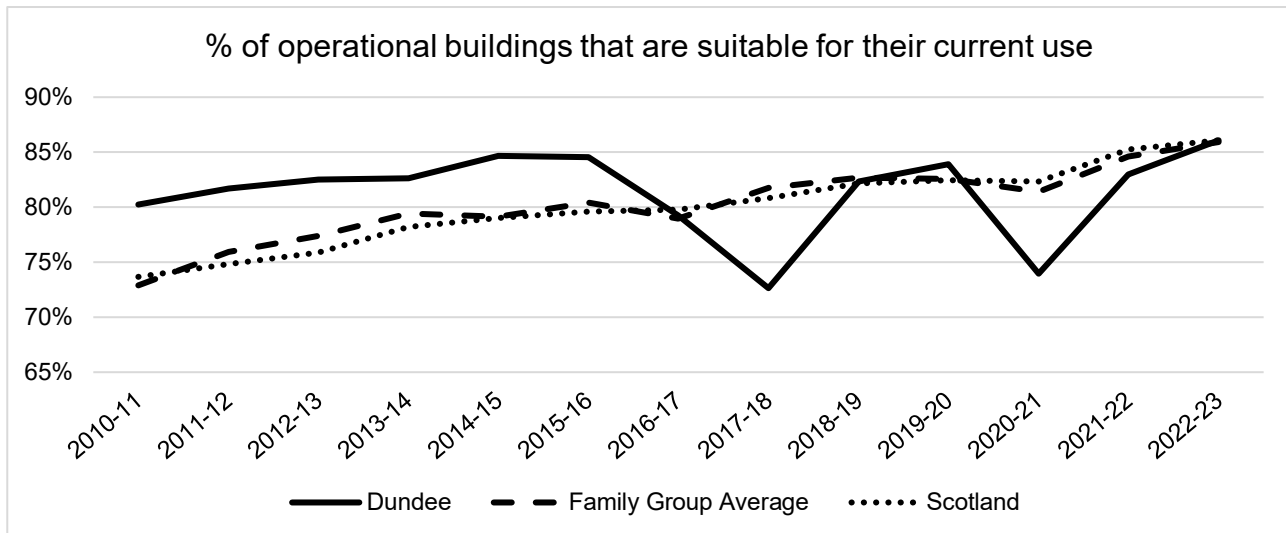
- MOT side buildings demolition (demolition on hold until Union building is vacated, most likely demolition will start in financial year 2024/25)
- Fairbairn Street
- Unit 2 Logie Ave

Future Demolition programmed for:

- Balerno Education Centre (Programmed for 2024/25 financial year demolition)
- Craigie High School (Programmed for 2025/26 financial year demolition)
- Braeview Academy (Programmed for 2025/26 financial year demolition)
- Contracts Services House Clepington Road (Programmed for 2025/26 financial year demolition)
- Part of old Baldovie Plant (Programmed for 2025/26 financial year demolition)

**% of operational buildings that are suitable for their current use**

Performance Indicator	Previous Year	2022/23 On Target	Benchmark	Area for Improvement	Difference	Scottish Position
% of operational buildings that are suitable for their current use	83.0%	86.1%	85.9%		0%	17(↑7)

**Metadata**

This indicator measures the proportion of operational buildings that are suitable for their current use. "Operational accommodation" is all property used for the delivery of services. It includes schools and temporary buildings but excludes rented housing stock and properties available for commercial let. "Suitable for its current use" means assessed as either performing as intended and operating efficiently or performing as intended but showing minor deterioration.

This indicator is important in terms of good asset management practice. Each council will have its own 'mix' of properties used for service provision. The choice of that mix is a matter for the council and will vary with a range of factors such as settlement pattern and population density.

Councils return this data direct to the Improvement Service.

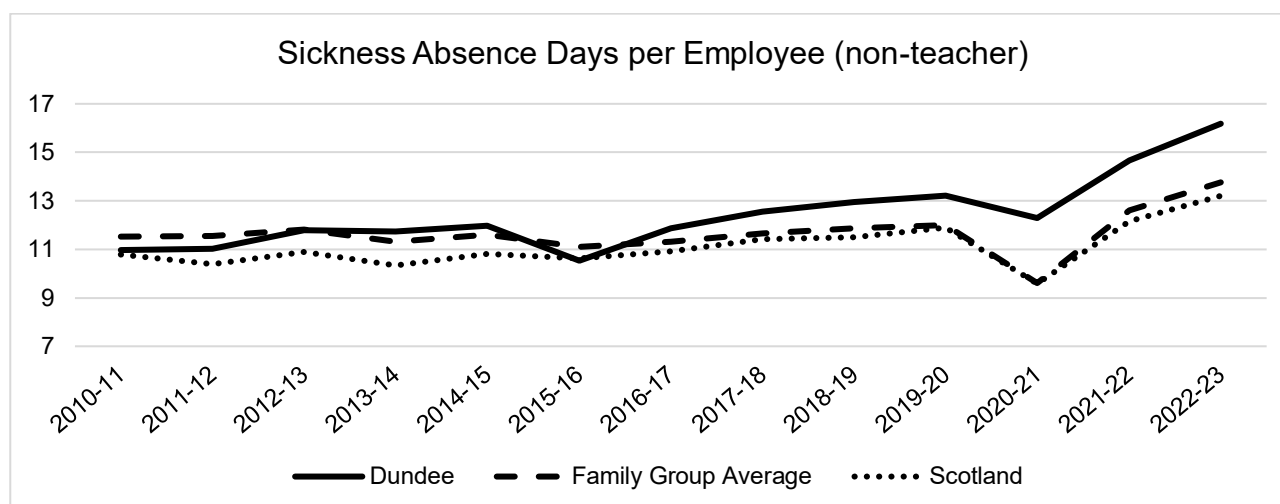
**Comments**

Dundee City Council's operation buildings in satisfactory condition increased between 2021/22 and 2022/23. This has resulted in the Dundee figure being higher than the family group average, whereas in 2021/22 Dundee was lower.

The Property Rationalisation programme, a key priority within the City Development Service Plan 2023/28, aims to ensure that this proportion increases further (see above comments for '% of internal floor area of operational buildings in satisfactory condition').

## Sickness absence days per employee (non-teacher)

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
Sickness absence days per employee (non-teacher)	14.7		13.8	16.2	17%	30(↓1)



### Metadata

This indicator calculates the sickness absence days per employee by dividing the total number of days lost per year through sickness absence by the total number of FTE staff. Total number of days lost per year through sickness absence includes absence, which is self-certified, certified by a GP, long-term (even if staff are unpaid), industrial injury or disability. Authorised leave, which is not sickness absence, e.g., annual leave, school closure days, maternity, paternity, adoption, maternity support, parental leave, or other similar authorised absence which is not sickness absence should not be included.

Total number of FTE staff includes all permanent, temporary, or fixed term staff no matter how long they have been employed by the council. All casual/ supply employees who have no contract hours, and agency staff are to be excluded from the calculations. Part time staff are also included by calculating the FTE for both the numerator and denominator on a consistent basis. For example, where the standard working week for full time employees is 36.25 hours, someone working a 15hr week counts as 41% FTE, therefore, such a part time staff with 9 shifts lost due to sickness absence would have  $9 \times .41 = 3.7$  days sickness absence.

Sickness absence in the public sector is widely regarded as being a significant cost to councils. This indicator is important because it allows councils to compare these rates and establishes which councils are dealing effectively with this issue.

Councils return this data direct to the Improvement Service.

### Comments

Sickness absence days per employee (non-teacher) increased in Dundee City Council between 2021/22 and 2022/23. This also follows an increase between 2020/21 and 2021/22, meaning that in the last two years, Sickness absence days per employee (non-teacher) has increased from 12.3 days in 2020/21 to 16.2 days in 2022/23. While this follows a similar trend to the family group average, Dundee is notably above the benchmark, meaning this is an area for improvement.

The Council Plan includes the People Strategy 2022-2027 which will ensure that Dundee City Council employees receive the best possible support. This commits to:

- An explicit Meaningful Employee Journey developed.
- Quality Conversations and surveys to engage and inform our workforce regularly.
- Modernise workforce practices, change and policies. Market our competitive edge in the Employer of Choice arena and employee offer/experience. Modernising terms and conditions.
- Review and reinvigorate our Employee and Leadership engagement.



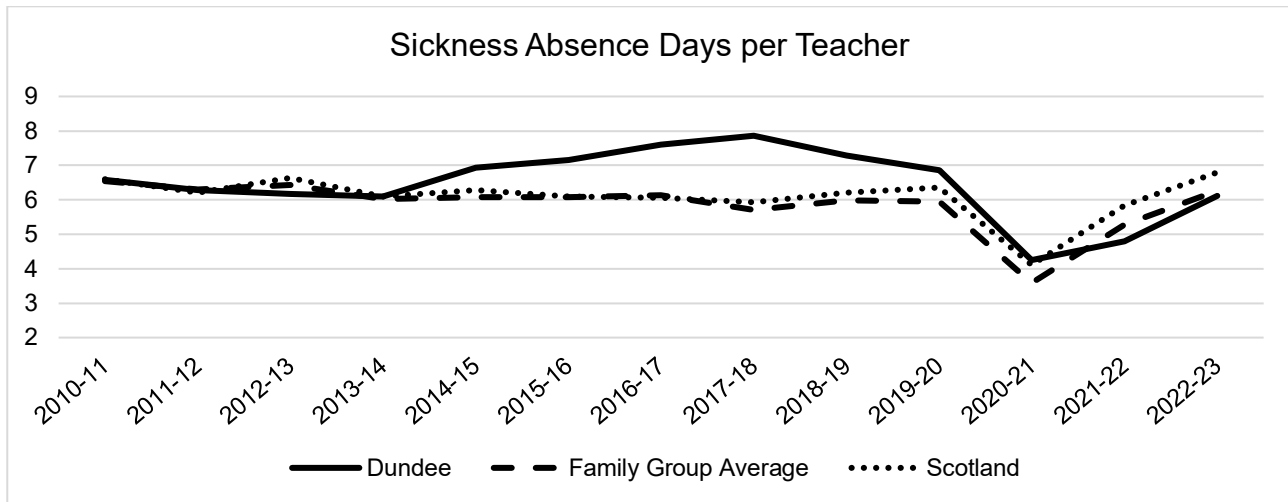
- Transactional Working - It is recognised that automation of digital transactions facilitates significant benefit whilst reducing costs for organisations. This is also true of internal People Services transactions where automation is just as important and can also deliver efficiencies.
- Mobile, Agile and Flexible working - Our employees will be able to work in remote ways, access systems from any authorised device and from any location, and we will support them to do so with skills, knowledge, and confidence.
- Digital Learning and Teaching – Deliver digital technologies to support learning environments suitable for learning in the 21st century.

Dundee City Council further commits to prioritising improving attendance which is a standing item on the agenda every month for Council Leadership Team. The Health & Wellbeing Action Plan for 2024/25 will also be implemented which includes:

- Establishing Focus Groups within target service areas to better understand culture, workload and leadership and the impact these have on absence levels.
- Developing a Mental Health Survey to gather the views of employees who have recently been absent to get their experience of the process.
- Developing a range of resources to promote employee understanding and engagement of promoting attendance policy, procedures, and available mental health support.
- Establishing Attendance Support and Wellness Advisor posts to support absence processes and implement targeted wellbeing activity across the organisation.
- New workshop for leaders/managers focussing on Resilience and Human Behaviour in Teams.
- Developing a Communication Strategy and Signposting to increase employee reach and develop an Absence, Health & Wellbeing communication toolkit to ensure information and access are available and up to date across all service areas

## Sickness Absence Days per Teacher

Performance Indicator	Previous Year	2022/23 On Target	Benchmark	Area for Improvement	Difference	Scottish Position
Sickness Absence Days per Teacher	4.8	6.1	6.3		-3%	9(↓2)



### Metadata

This indicator calculates the sickness absence days per teacher by dividing the total number of days lost per year through sickness absence by the total number of FTE staff. Total number of days lost per year through sickness absence includes absence, which is self-certified, certified by a GP, long-term (even if staff are unpaid), industrial injury or disability. Authorised leave, which is not sickness absence, e.g., annual leave, school closure days, maternity, paternity, adoption, maternity support, parental leave, or other similar authorised absence which is not sickness absence should not be included.

Total number of FTE staff includes all permanent, temporary, or fixed term staff no matter how long they have been employed by the council. All casual/ supply employees who have no contract hours, and agency staff are to be excluded from the calculations. Part time teachers are also included by calculating the FTE for both the numerator and denominator on a consistent basis. For example, where the standard working week for full time employees is 36.25 hours, someone working a 15hr week counts as 41% FTE, therefore, such a teacher with 9 shifts lost due to sickness absence would have  $9 \times .41 = 3.7$  days sickness absence.

Sickness absence in the public sector is widely regarded as being a significant cost to councils. This indicator is important because it allows councils to compare these rates and establishes which councils are dealing effectively with this issue.

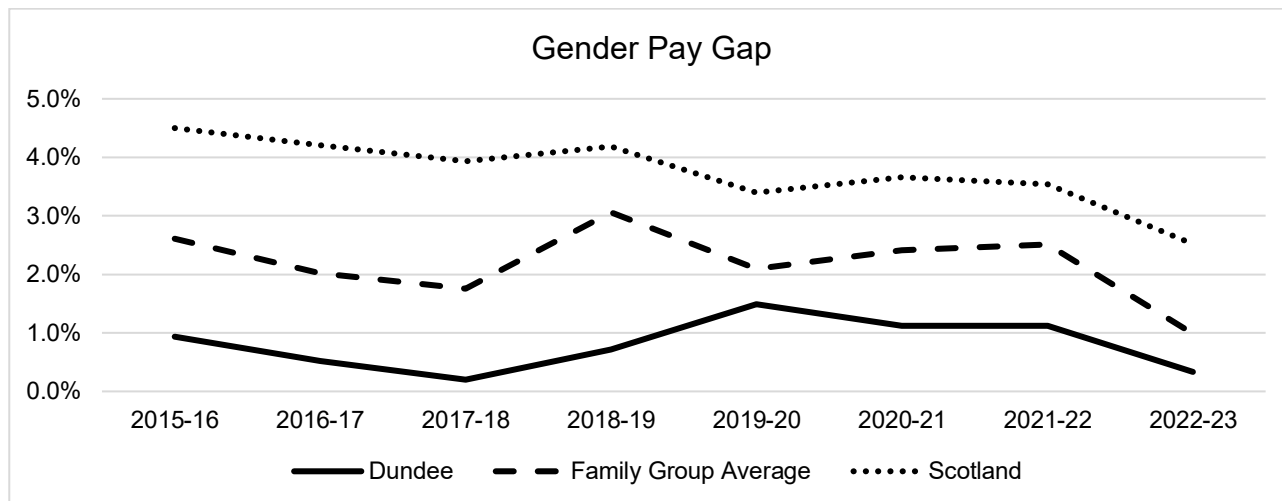
Councils return this data direct to the Improvement Service.

### Comments

Sickness absence days per employee (teacher) increased in Dundee City Council between 2021/22 and 2022/23. This also follows an increase between 2020/21 and 2021/22, meaning that in the last two years, Sickness absence days per employee (teacher) has increased from 4.3 days in 2020/21 to 6.4 days in 2022/23. While this follows a similar trend to the family group average, Dundee is slightly below the benchmark, meaning this is an area which Dundee City Council is on target.

## The gender pay gap (%)

Performance Indicator	Previous Year	2022/23 On Target	Benchmark	Area for Improvement	Difference	Scottish Position
The gender pay gap (%)	1.1%	0.3%	1.0%		-70%	6(↑1)



### Metadata

The gender pay gap is the percentage difference between men's and women's hourly pay. The information required is the gender of each employee and their basic rate of pay. This enables the pay of part-time employees to be compared with full-time employees.

All council staff should be included in this calculation. The figures reported should be the number of staff employed by the council on 31 March. For this calculation, any fringe benefits (such as leases of free cars, health insurance, and a range of non-cash benefits) and any overtime pay are excluded.

The delivery of quality services is dependent on a trained and motivated workforce, and it is, therefore, essential that councils' employment policy reflects their commitment to equal opportunities. The indicator provides a picture of the current gender pay gap between male and female employees. This will help councils to identify areas of potentially unfair or discriminatory practices as well as providing a baseline for measuring improvement over time.

Councils return this data annually direct to the Improvement Service.

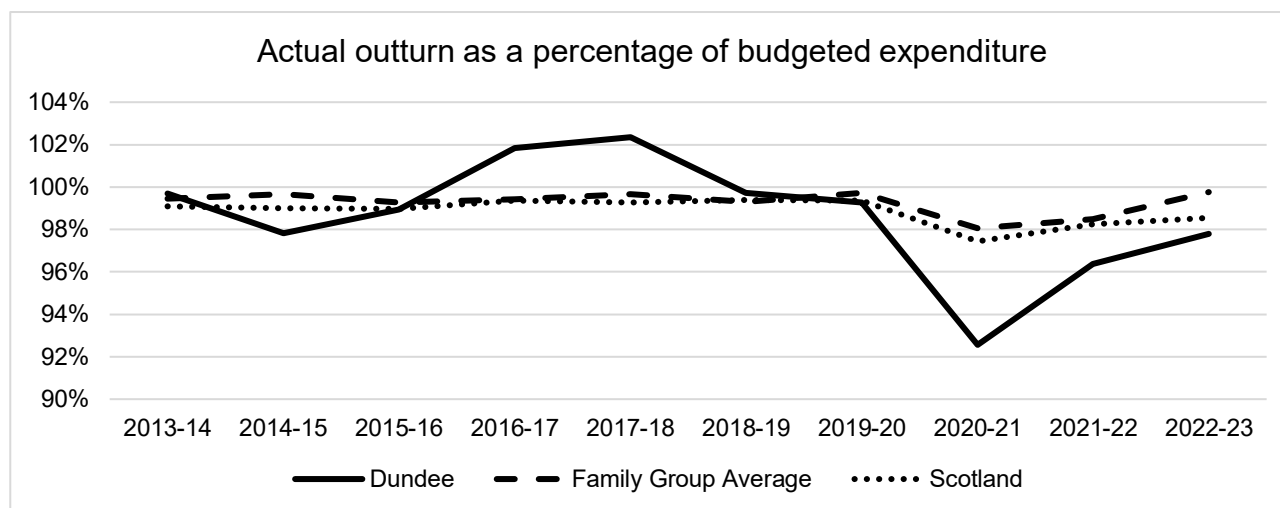
### Comments

The gender pay gap in Dundee City Council has decreased between 2021/22 and 2022/23. Dundee has consistently performed well in this indicator compared to the family group and Scottish averages, indicating that Dundee City Council is fulfilling its commitments for equal opportunities.

Dundee City Council commits in the Council Plan to firstly have adaptable and flexible structures which promote working across organisational boundaries with greater employee empowerment, integrated teams, and agile workforce and secondly to have a values-based culture that will unlock and develop the skills and potential of our workforce.

## Actual outturn as a percentage of budgeted expenditure

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
Actual outturn as a percentage of budgeted expenditure	96.4%		99.8%	97.8%	-2%	19(12)



### Metadata

This indicator measures actual outturn as a percentage of budgeted expenditure (per Actual Outturn Report submitted to Committee).

As demand for services is increasing and cost pressures are rising, local authorities are feeling the financial pressure which is impacting on budgets. Local authorities are also facing higher levels of scrutiny over their decision-making. The need for budgets and forecasts to reflect actual spending becomes increasingly important for councils with decreasing or low levels of usable reserves to draw on. Councils cannot continue to rely on underspends in certain services offsetting overspending elsewhere. Where services have been found to consistently overspend, budgets should be revised to reflect true spending levels and patterns.

Councils return this data direct to the Improvement Service as part of the LGBF Finance Validation.

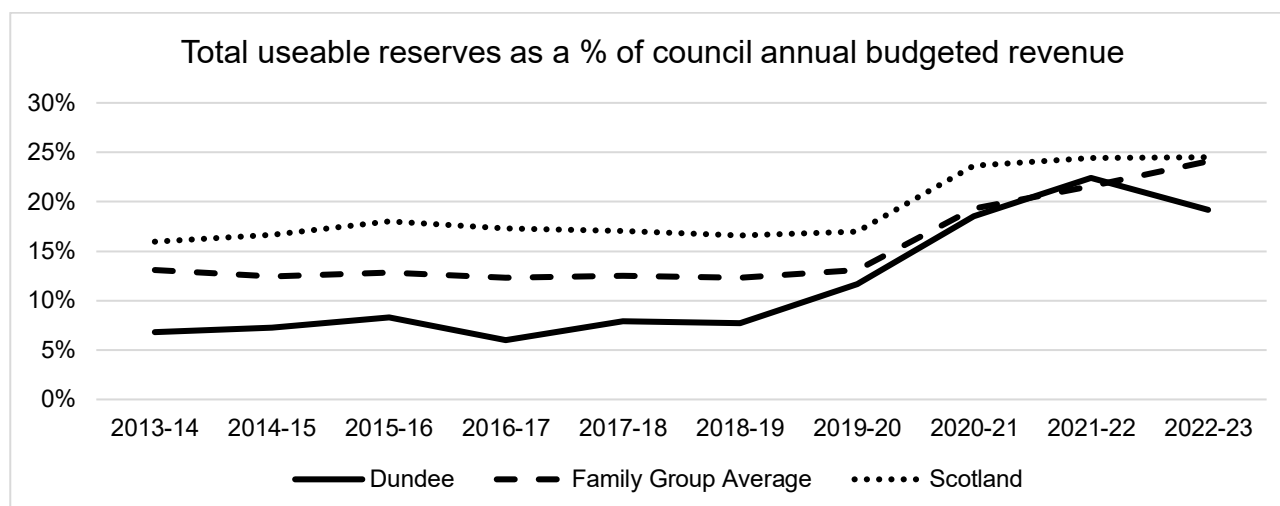
### Comments

Dundee City Council's actual outturn as a percentage of budgeted expenditure improved between 2021/22 and 2022/23. This follows an increase between 2020/21 and 2021/22, which is particularly encouraging following the outstandingly low figure in 2020/21. However, Dundee remains below the benchmark meaning that this is still an area for improvement.

In the Council Plan Dundee City Council commits to being lean and efficient with a clear set of priorities that deliver for Dundee citizens and communities, focusing resources where they can make the biggest difference. This will ensure that the Council remains financially sustainable and continues to provide good quality and efficient services.

## Total useable reserves as a % of council annual budgeted revenue

Performance Indicator	Previous Year	On Target	Benchmark	2022/23 Area for Improvement	Difference	Scottish Position
Total useable reserves as a % of council annual budgeted revenue	22.4%		24.1%	19.2%	-20%	25(↓5)



### Metadata

This indicator is calculated as the ratio of total usable reserves to council annual budgeted revenue. Definitions include:

- Total usable reserves from as per Movement in Reserves Statement should be used.
- The budget is the approved budget for the start of the year.
- Total usable reserves should include Capital Grants Unapplied and Capital Fund

This measure has been incorporated to provide an indication on the level of how a Council is placed to meet unforeseen events. A low level of unallocated reserves may be a sign that a council could struggle if any unknown financial surprises were to occur.

Councils return this data direct to the Improvement Service as part of the LGBF Finance Validation.

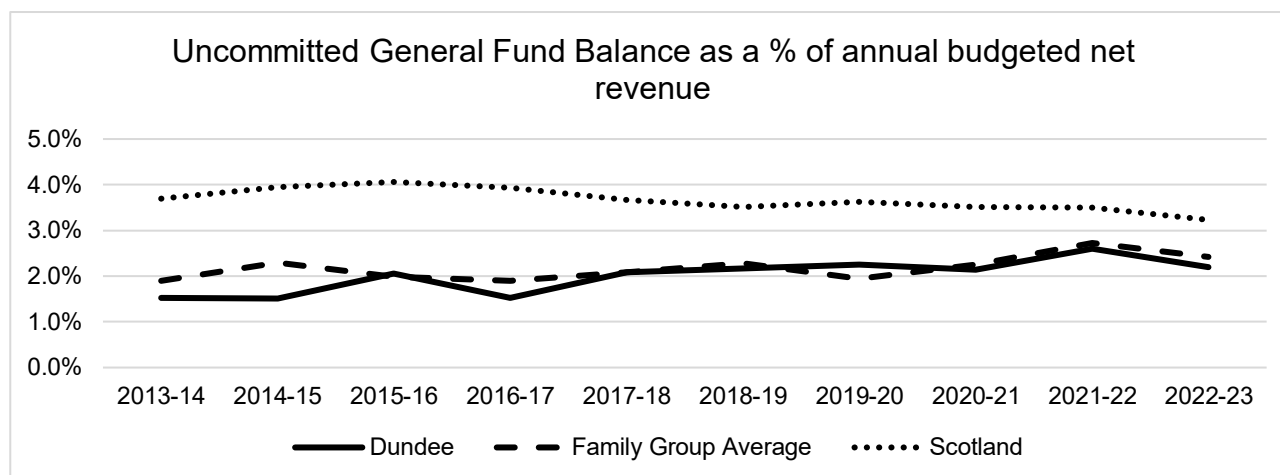
### Comments

Dundee City Council's total useable reserves as a % of council annual budgeted revenue decreased between 2021/22 and 2022/23. This follows a period between 2018/19 and 2021/22 where Dundee improved significantly on this measure since 2018/19 with an increase from 7.7% to 22.4%. While the figure for Dundee decreased between 2021/22 and 2022/23, the family group average increased. As a result of this, Dundee has once again fallen below the benchmark meaning this is an area for improvement.

The Council Plan includes both a Medium- and Long-Term Financial Strategy to ensure the Council remains financially sustainable and continues to provide good quality and efficient services. The Council's agreed Medium Term Financial Strategy states that free balances will be retained at the higher of 2% of revenue budget or £8m which will sustain the current increase total useable reserves as a percentage of council annual budgeted net revenue but, ideally, a higher level will be held for operational purposes. A Long-Term Financial Strategy will also be developed alongside the 2023/24 revenue Budget.

## Uncommitted General Fund Balance as a % of council annual budgeted net revenue

Performance Indicator	Previous Year	2022/23 On Target	Benchmark	Area for Improvement	Difference	Scottish Position
Uncommitted General Fund Balance as a % of council annual budgeted net revenue	5.1%	4.4%	5.2%		-15%	11(12)



### Metadata

This indicator is calculated as the ratio of uncommitted general fund balance to net revenue expenditure.

This measure has been incorporated to provide an indication on the level of uncommitted reserves. A low level of uncommitted reserves may be a sign that a council could struggle if any unknown financial surprises were to occur.

Councils return this data direct to the Improvement Service as part of the LGBF Finance Validation.

### Comments

Dundee City Council's uncommitted general fund balance as a % of annual budgeted net revenue has worsened between 2021/22 and 2022/23. Although the family group average also decreased, it did so at a lesser rate than for Dundee, meaning that Dundee is slightly below the benchmark, making this an area for improvement.

The Council Plan includes both a Medium- and Long-Term Financial Strategy to ensure the Council remains financially sustainable and continues to provide good quality and efficient services. The Council's agreed Medium Term Financial Strategy states that free balances will be retained at the higher of 2% of revenue budget or £8m which will sustain the current increase total useable reserves as a percentage of council annual budgeted net revenue but, ideally, a higher level will be held for operational purposes. A Long-Term Financial Strategy will also be developed alongside the 2023/24 revenue Budget.

**REPORT TO:** SCRUTINY COMMITTEE - 25 SEPTEMBER 2024

**REPORT ON:** LOCAL GOVERNMENT BENCHMARKING FRAMEWORK -  
SUPPLEMENTARY REPORT FOR REDUCING CHILD POVERTY AND  
INEQUALITIES INDICATORS

**REPORT BY:** CHIEF EXECUTIVE

**REPORT NO:** 216-2024

## 1.0 PURPOSE OF REPORT

This report summarises the relevant actions that aim to improve the performance indicators referred to in the Local Government Benchmarking Framework (LGBF) report approved by the City Governance Committee on 10 June 2024 that are below the benchmark and relating to the reducing child poverty and inequalities in incomes, education, and health theme.

## 2.0 RECOMMENDATIONS

It is recommended the Committee notes the report.

## 3.0 FINANCIAL IMPLICATIONS

None

## 4.0 MAIN TEXT

4.1 At the City Governance Committee on 10 June 2024, the annual Local Government Benchmarking Framework (LGBF) report was amended with a recommendation requesting a supplementary report be prepared and presented to Scrutiny Committee, in addition to the LGBF report. The supplementary report was to set out actions that are being taken in relation to indicators within the child poverty and inequalities theme. Article II of the Minute of Meeting of the City Governance Committee of 10 June, (Report No 93-2024 refers).

4.2 Page 6 of the LGBF report appendix, showed that for this theme 9 out of 13 indicators were in the areas for improvement column as not meeting the benchmark of being the same or better than average of the LGBF family group of local authorities with similar levels of deprivation and urban density. For 2 out of the 9 indicators, school attendance and the literacy attainment gap in primary school, we count as being on target as they are 4<sup>th</sup> in the family group. In the appendix as they were slightly below the group average, we placed them in the area for improvement column. In a group of 8 the average can be skewed by an outlier hence we often use the mid-point rather than the mean average.

4.3 The paragraphs below relate in turn to each of the nine indicators with a summary of the data in the main report and in line with the City Governance Committee's amended recommendation below that a bullet style list of the main improvement plans and/or actions that relate to that topic. Many of the plans are already detailed plans and strategies approved by the Council and have significant partnership, governance, and engagement.

### **% of children living in poverty (after housing costs) (2021/22)**

4.4 The LGBF report showed that for 2021/22 Dundee had 27.1% of children living in poverty compared to 26.7% average for the family group of authorities (a difference of 1%) and this placed Dundee at 27<sup>th</sup> (down 2 on the year before) out of 32 Scottish Local authority areas in terms of this measure. The data has since been updated for 2022-2023 and shows an increase to 28.2% of Dundee Children in Child Poverty by this measure compared to the Family group at 27.2% but Dundee now ranks 29<sup>th</sup> out of 32.

4.5 Progress to date and key actions taken are as follows:

- The annual Fairness and Local Child Poverty Action Plan was submitted to the City Governance Committee on 24 June 2024. This outlined how the council and partners will work together to try and improve conditions for some families and communities across Dundee.
- Dundee City Council was the first Local Authority in Scotland to declare a Cost-of-Living Crisis in June 2022, and a series of Cost-of-Living summits was held to agree actions.
- Funding of over £1.5m was spent on a range of measures to mitigate the impact of poverty and the cost-of-living crisis in 2023/24.
- Further funding of £50,000 was allocated for fairness activities in the 2023/24 budget, with the Local Fairness Initiatives and the Fairness Leadership Panel support being prioritised. This was in addition to, £6.73m of payments being made via Holiday Support, Scottish Welfare Fund and Discretionary Housing Payments.
- A range of work on income maximisation initiatives across the city is being implemented to ensure citizens are receiving all benefits and support payments they are entitled to, which has generated around £13.6m in income.
- The Dundee Child Poverty Pathfinder has increased employability opportunities for 188 families in Linlathen affected by a range of inequalities. This provides the support to enable parents to secure incomes to address child poverty that may be experienced by the 256 children living in these households.
- In Stobswell West, greater money and benefit advice is being provided in partnership with the Stobswell Forum at the Connect shop, greater community and intergenerational activities, and efforts to tackle quality in private rented properties in the area.
- The contribution of the Dundee Fairness Leadership Panel (FLP) continues to grow. As well as arranging and hosting the annual Dundee Fairness Conference in November 2023, in the last year the Panel has influenced policies and services relating to employability, public debt and customer services. In 2024/25, members will focus on housing, mental health & Isolation, and support given to third sector staff and volunteers.
- Feedback on the 2022/23 annual report was also received from the Improvement Service and the Dundee Fairness Leadership Panel. Most of their recommendations have been incorporated and commitments made to those that remain outstanding. An easy read 'plan on a page' version of the 2022/23 report was co-produced by officers and members of the panel. This was launched to a positive response at the Fairness Conference in November 2023 and will be repeated in collaboration with FLP members following committee approval.
- The Council continues to work with the Hunter Foundation, BBC Children in Need, Columba 1400, and other partners to implement What Matters to You in 3 locality areas. This initiative involves leadership capacity building alongside enhanced engagement with communities to promote better understand and more flexibly respond to their needs. It has included a particular focus on families providing kinship care
- Education Scotland's Community Learning & Development progress visit recognised that Dundee's asset-based approach to tackling poverty and inequality is practice they will be sharing nationally.
- Whilst a great deal of work requires collaboration with partners, officers within Dundee City Council are carrying out more detailed analysis of data included in the Poverty Profile to assess what other actions within our control we can take during 2024/25 to reduce poverty in the city.

### **School attendance rates**

- 4.6 The LGBF report showed that Dundee's school attendance rate in 2022-2023 was 89% compared to 89.5% for the family group. This is less than a 1% difference and Dundee's performance had improved across Scotland from 29<sup>th</sup> to 26<sup>th</sup>. (NB an error in the LGBF report showed this number as 16<sup>th</sup> instead of 26<sup>th</sup>).
- 4.7 Progress to date and key actions taken are as follows:
- Work continues with schools to continue to improve attendance. The Council Plan includes a target to increase the attendance rate of children from SIMD Quintile 1 to 93% as part of closing the gap measures. The rate increased from 86% in 2022-23 to 87% in 2023-24.



- Attendance continues to show improvement compared to session 2022/23. Primary attendance for session 23/24 was 91.7%, up from 91.2% and secondary attendance was 85.8%, up from 85.6%.
- A service design review as part of the Transformation Programme of supporting children with school attendance problems made recommendations. These included the need to develop a better process for recording attendance referrals and outcomes and providing enhanced holistic support to targeted pupils and their parents/carers. This includes a focus on pupils in kinship care.
- Every Dundee Learner Matters is the Education strategy to drive improvement to the quality of education for all children and pupils. This strategy is proving to be a success as reported to the Children and Families Committee in October 2023 and this includes each school establishing a school inquiry group to address one of 3 Ps which includes “Presence – ensuring that all children and young people attend regularly and promptly”.

**Literacy Attainment Gap (P1,4,7 Combined) - percentage point gap between the least deprived and most deprived pupils**

4.8 The LGBF report showed that Dundee’s literacy attainment gap (P1,4,7 Combined) in 2022-2023 was 19.9% compared to 19.3% for the family group, a 3% difference and Dundee has always been in the top quartile of all 32 Scottish Local authorities on reducing this gap although we moved down from 7<sup>th</sup> to 8<sup>th</sup> position this year.

4.9 Progress to date and key actions taken are as follows:

- The interim data for this indicator for 2023/24 shows this gap has reduced to 17.2%, so this is likely to be better than the benchmark now.
- A report on the improvements in literacy and numeracy attainment in the primary school sector to the Children, Families & Communities Committee - 04/03/2024 (article II refers) highlighted that despite the ongoing impact of the pandemic, 66% of primary 1, 4 & 7 pupils living in the most deprived areas in the city have attained their expected level in literacy, which is the highest percentage on record. The Scottish average is 64%.
- Read Dundee, the Literacy Hub, has been implemented in targeted localities. This initiative, in partnership with the National Literacy Trust, uses a place-based approach to improve the literacy levels and life chances of children and families within targeted localities.
- Dundee has benefited from the Scottish Attainment Challenge and Pupil Equity Funding (PEF) in its efforts to close the poverty related attainment gap. Children and Families Service is working closely with Education Scotland’s Attainment Advisor to better understand where and how PEF is making a difference. and to further improve how learning is shared.
- A new Scottish attainment Challenge Strategy Group is being established by Children and Families Service.
- The Children and Families Service has set ‘stretch aims’ for improving outcomes for all pupils while closing the poverty-related attainment gap. These stretch aims – underpinned by Every Dundee Learner Matters (EDLM) strategy – will be used to inform support and challenge visits and to monitor progress, at individual school level.

**% of pupils entering positive destinations**

4.10 The LGBF report showed that Dundee’s % of pupils entering positive destinations in 2022-2023 was 95.6% compared to 96.2% for the family group, a 1% difference and compared to all Scottish Local authorities Dundee moved up from 30<sup>th</sup> to 14<sup>th</sup> position this year. This is due to an overall improvement in Dundee from the year before from 93.9% to the 95.6%.

4.11 Progress to date and key actions taken are as follows:

- The report ‘A Step Change on Positive Destinations for Young Dundonians’ which outlines a Delivery Plan following a review by a multi-agency group was approved by the City Governance Committee 22/04/2024 (article IX refers). This includes a proposal to nominate a senior leader within each Secondary School to lead a multi-agency group and be

responsible for ensuring that all 16–19 -year-old young people in the school's community achieve a positive destination.

- A detailed exploration of the follow up school leavers' destinations is presented to the Children, Families and Communities Committee each year and the latest one was 4 September 2023, (article III refers). Individual schools and the Children and Families Service continue to implement strategies and actions to improve initial leaver destinations along with City Development connect to pathways for 16-19-year-olds.
- Specific attention to care experienced young people is given to ensure they reach positive destinations. This includes sustained support via Continuing Care until age 21 years, an extended range of supported accommodation options, flexible support from Dundee and Angus College and employability support coordinated by the Aftercare Team. Further work will include an exploration of post-school mentoring support and work with prospective employers to develop flexible opportunities for this group. Key workers are currently ensuring further engagement with 65 young people, identified by Skills Development Scotland (SDS) data hub records, who were identified as being school leavers between 2020 and 2023 aged between 15 and over and highlighted as being looked after under the local authority by the time of their 15th birthday.
- The Carers Centre who are a part of the Youth Participation Service Design have developed the Young Carer Action Plan. The Plan contains an action referring to improving transition arrangements for young carers by working closely with Dundee & Angus College as well as University of Dundee and the Abertay University, all of which should help improve sustained destinations for all young carers. In addition, Skills Development Scotland track outcomes for young carers through involvement of the Youth Employability Team.
- A Transition Planning Group has been developed to co-ordinate all the referrals from schools for pupils with additional support needs (ASN). Work is currently being undertaken to assess new opportunities for young people with ASN. This piece of work is at an early stage and people who can assist with this work are currently being identified. The aim of this work is to allow young people with ASN to have more choices.

#### **Attainment Gap measures relating to pupils living in the most deprived areas**

- 4.11 There are three measures in the LGBF report that deal with closing the attainment gap in senior phase attainment as an outcome of tackling child poverty and inequalities in incomes, education, and health. All three are reported together as it would be difficult to differentiate actions between the measures. Each measure focuses on the attainment of young people from SIMD Quintile 1 (the 20% most deprived areas), the first 2 relate to levels of qualifications and the tariff score measures an average score for all certificated awards to pupils living in SIMD Quintile 1.

#### **% of pupils living in the 20% most deprived areas gaining 5+ awards at level 5**

- 4.12 The LGBF report showed that Dundee's % of pupils living in the 20% most deprived areas gaining 5+ awards at level 5 in 2022-2023 was 48% compared to 51% for the family group, a 6% difference and although Dundee's figure reduced from 49% the previous year compared to all Scottish Local authorities, Dundee moved up 1 place to 12<sup>th</sup> position this year. This is a significant improvement from the position in 2012-2013 when Dundee was ranked 21<sup>st</sup> amongst Scottish Local Authorities with only 30% of pupils in deprived areas gaining 5+ awards at level 5.

#### **% of pupils living in the 20% most deprived areas gaining 5+ awards at level 6**

- 4.13 The LGBF report showed that Dundee's % of pupils living in the 20% most deprived areas gaining 5+ awards at level 6 in 2022-2023 was 17% compared to 22% for the family group, a 23% difference. Compared to all Scottish Local authorities, Dundee moved down 4 places to 18<sup>th</sup> position this year. Although Dundee saw a decline from 19% in 2021-2022 to 17% in 2022-23 there has been an overall ten-year improvement since 2012-13 when only 9% of Dundee pupils living in deprived areas gained 5+ awards at level 6.

### **Average total tariff SIMD quintile 1**

- 4.14 The LGBF report showed that the average tariff score in the 20% most deprived areas in Dundee in 2022-2023 was 568 compared to 669 for the family group, a 15% difference. Compared to all Scottish Local authorities, Dundee moved down 1 place to 20<sup>th</sup> position this year. In 2012-2013 the average tariff score in Dundee for SIMD Quintile 1 was 469 and Dundee was placed 20<sup>th</sup> in Scotland's 32 local authorities.
- 4.15 Progress to date and key actions taken are as follows:
- Data is used in detail across the Children and Families service to target school level improvements. In February 2024, Insight, the senior phase benchmarking tool, was refreshed with national leavers' benchmarking data for session 2022/23. This showed that gaps between leavers in the most and least deprived SIMD quintiles in Dundee have reduced over the last five years. The gap in leavers achieving one or more award at SCQF Level 5 has reduced from 24 to 18 percentage points. A report to the Children, Families and Communities Committee 13 May 2024 (article IV refers) set out some of the key data.
  - The Children and Families Service Plan commits to forming a Scottish Attainment Challenge Strategy Group to lead on the effective use of all Attainment Scotland Funds and ensure that monies are used effectively – based on what works in Dundee schools, exploring opportunities to combine monies (e.g., SEF (Strategic Equity Fund) and PEF) for best impact in terms of achieving equity.
  - A Collaborative Improvement Programme has been initiated by the Council involving a range of partners including Education Scotland, and Association of Directors of Education Scotland (ADES) – with a focus on improving outcomes in the Senior Phase in Dundee. The Collaborative Improvement fieldwork phase will help inform a Senior Phase Improvement Plan, which will help drive forward improvements in outcomes in the Senior Phase in Dundee.
  - As part of the Scottish Attainment Challenge the Leading Learners Project Senior phase pupils in secondary schools are being supported by coaches trained in study techniques. These skills are taught and practiced on a weekly basis with pupils identified in each school as being at risk of not achieving their full potential. In 2022-23 93 coaches and 8 school leads took part in the project with around 750 pupils being coached, an average of 8 in each group. All schools are focusing on the senior phase for the main project.

### **% of Scottish Welfare Fund Community Care Grant Decisions within 15 Days**

- 4.16 The LGBF report showed that in Dundee in 2022-2023 73.5% of CCG decisions were within 15 days compared to a family group average of 90.3%, a 19% difference. However, despite that Dundee rose 5 places to 21<sup>st</sup> of all Scottish councils.
- 4.17 Progress to date and key actions taken are as follows:
- 2023/24 has shown a considerable improvement in performance with 93.3% of decisions made within 15 days compared to a family group average of 89.3%
  - Rolling out of iPads to Council Advice Services in a range of city venues to allow communities better access to the online applications process.
  - Encourage, where possible, channel shift towards online applications rather than telephone applications, to free up resources to enable more time to be spent on decision making.
  - Checks to ensure the Northgate Scottish Welfare Fund system is not including cases where all necessary information is not included in the application

### **% of Crisis Grant Decisions within 1 day**

- 4.18 The LGBF report showed that in Dundee in 2022-2023 88.8% of Scottish Welfare Fund crisis grants decisions were made within 1 day compared to a family group average of 94.6%, a 6% difference. Dundee fell 2 places to 25<sup>th</sup> out of 32 Scottish councils.
- 4.19 Progress to date and key actions taken are as follows:
- 2023/24 has shown a considerable improvement in performance with 91% of decisions made within one day compared to the family group average of 90.9%.
  - Rolling out of iPads to Council Advice Services in a range of city venues to allow communities better access to the online applications process.
  - Encouraging, where possible, channel shift towards online applications rather than telephone applications. This will free up resources to enable more time to be spent on decision making.
  - Checks to ensure the Northgate Scottish Welfare Fund system is not including cases where all necessary information is not included in the application.
  - Quality assurance monitoring has also shown some staff are completing cases within one working day but not always timeously resolving them on the Northgate system at the same time leading to inaccurate data in some cases. Staff monitoring and training to continue to improve this.

## **5.0 POLICY IMPLICATIONS**

This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

## **6.0 CONSULTATIONS**

The Council Leadership Team were consulted in the preparation of this report.

## **7.0 BACKGROUND PAPERS**

None

GREGORY COLGAN  
CHIEF EXECUTIVE

6 SEPTEMBER 2024

ANDREA CALDER  
HEAD OF CHIEF EXECUTIVE'S SERVICES

**REPORT TO: CITY GOVERNANCE COMMITTEE – 10 JUNE 2024**

**REPORT ON: RISK MANAGEMENT ANNUAL REPORT**

**REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**REPORT NO: 154-2024**

## **1.0 PURPOSE OF REPORT**

1.1 To present to the City Governance Committee

- The annual report of Risk Management.
- The review of the risks in the Council's Corporate Risk Register.

## **2.0 RECOMMENDATIONS**

2.1 It is recommended that the Committee

- Note the content of this report.
- Remit this report to the Scrutiny Committee for further consideration.

## **3.0 FINANCIAL IMPLICATIONS**

3.1 None.

## **4.0 BACKGROUND**

4.1 Article V of the Minute of Meeting of the Policy and Resources Committee of 6 March 2023, Report No 62-2022 refers. This report presented the annual review of Risk Management and review of the Council's Corporate Risk Register (CRR).

## **5.0 RISK MANAGEMENT OVERVIEW**

5.1 In undertaking reviews of the CRR, it is acknowledged that the nature of a risk at corporate level can vary significantly from similarly titled risks at a service level. However, the service level risks are an important guide to where underlying risks to the Council may lie and, as a result, due consideration is given to these when assessing the Council's corporate risks.

5.2 The CRR is reviewed regularly throughout the year by the Council's Risk and Assurance Board which meets every two months and separately by the Council Leadership Team with occasional reports provided from the Risk Management system.

5.3 A review of the Council's Corporate risks was also carried out once in 2023/24 by the Corporate Risk Management Coordinator in conjunction with the Executive Director of Corporate Services (the Council's Senior Risk Officer).

5.4 Service Level Risk Registers are reviewed by the relevant Heads of Service on a 3 to 6 monthly basis, with regular reports provided from the Council's Risk Management system on risks which are due for review. The Risk and Assurance Board consider the overdue Service Level Risks at each meeting.

5.5 A review of the Council's Risk Management Policy and Strategy was carried out in 2023/24 and was submitted and approved by the City Governance Committee. (Article VIII of the minute of meeting of 21 August 2023, Report No 227-2023 refers). This report also provided a Corporate Risk Register update to Committee.

## 6.0 REVIEW OF THE COUNCIL'S CORPORATE RISK REGISTER

6.1 The CRR was reviewed by the Council Leadership Team in January 2024 and subsequently by the Risk and Assurance Board in February 2024.

6.2 Any assessed changes to the level of risk are updated in Ideagen (formally Pentana) on an ongoing basis, along with new risks added and historic risks removed as considered appropriate.

6.3 The paragraphs below provide an update from the review of the Corporate Risk Register by the Risk and Assurance Board and the actions taken since that review:

- DCC001 Financial Sustainability

The risk score for this risk has been changed from 5\*4 (Extreme Likely) to 5\*5 (Extreme - Almost Certain) to reflect the financial position of the Council for 2024/25 and the expected funding deficit for 2025/26.

- DCC012 Integration Joint Board / Dundee Health and Social Care Partnership

The risk score for this risk was considered by the Chief Financial Officer, Dundee Health and Social Partnership in conjunction with the Executive Director of Corporate Services. This review has changed the risk from 5\*3 (Extreme – Possible) to 4\*4 Major - Likely). The risk score now reflects the maturity of integrated Health and Social Care arrangements.

- DCC017a National Care Service

The risk score for this risk was considered by the Council Leadership Team after review by the Chief Financial Officer, Dundee Health and Social Partnership. This review has maintained the risk score at 5\*5 (Extreme – Almost Certain). This is due to the uncertainties around the expected remit of the National Care Service including the potential inclusion of Children Services social work, which would have a major impact on the Council.

- DCC004a Failure to Adequately Address Poverty / Inequalities, DCC004b Failure to Address Climate Change / Net Zero, DCC004c Inadequate Steps taken to Generate Inclusive Economic Growth / Community Wealth Building.

Discussions have been held regarding these 3 sub risks within the City Plan. No changes have been made to risk scores, but the Internal Controls have been reviewed and will be updated in Ideagen (Pentana) in due course.

- DCC016 Climate Change

This risk was added and referred to in report 32-2023 as a new risk. This risk has now been incorporated into risk DCC004b – Failure to Address Climate Change / Net Zero, referred to above and risk DCC016 has been removed from the Corporate Risk Register.

- Other Corporate Risks

The Internal Controls included for some of the risks have not been updated for some time. This was discussed at the Risk and Assurance Board and has been followed up with a number of services. Some of these are still to be updated and reminders have been issued where appropriate. Some show as partly effective, some as fully effective and further updated and commentary is required. The current position of the internal controls for each of the Corporate Risks is included in Appendix A.

The remaining CRR risks as set out in Appendix A and Appendix B have been reviewed and no changes have been made to the scoring since the last report.

- Service Level Risks

No risks from Service Level risks were considered for escalation to the Corporate Risk Register at this time. The Risk and Assurance Board will continue to review any Service Level risks which may require to be escalated to the Corporate Risk Register.

- 6.4 The administration of the Corporate Risk Management system (Ideagen / Pentana) has been looked at in relation to the Corporate Risk Register. A number of changes to responsible officers have been made to reflect changes in officers who have left the employment of Dundee City Council.
- 6.5 Appendix A (DCC CRR Committee Overview) is attached which includes a description of each Corporate risk, the inherent risk score, the current risk score and the associated control measures linked to each risk.
- 6.6 Appendix B (CMRC – 1 DCC Corporate RR) is attached which outlines the risk description, current impact and consequences, the inherent risk score, the residual risk score and the related risks and their scores from each of the service area risk registers.

## **7.0 POLICY IMPLICATIONS**

- 7.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

## **8.0 CONSULTATIONS**

- 8.1 The Council Leadership Team was consulted in the preparation of this report.

## **9.0 BACKGROUND PAPERS**

- 9.1 None

**ROBERT EMMOTT**  
**EXECUTIVE DIRECTOR, CORPORATE SERVICES**

**27 MAY 2024**

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## **DCC CRR - Committee Overview**

**Report Type:** Risks Report

**Report Author:** David Vernon

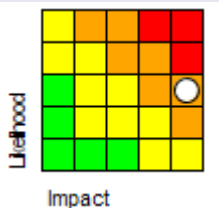
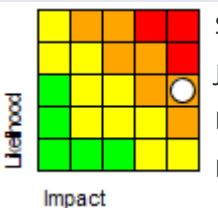
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RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
1. COUNCIL CORPORATE RISKS – DCC Corporate Level Risk Register	The Council's high-level Corporate Risk Register. Risks held directly within this register are the key high-level risks to delivery of the Council's strategic goals.			

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC001 Financial Sustainability	<p>Risk that the Council is unable to deliver priorities and meet financial obligations due to financial constraints arising from funding pressures and demand pressures</p> <p>Impact / Consequences</p> <p>Fail to deliver objectives</p> <p>Maintaining sufficient revenue and capital resources to meet ambitions</p> <p>Reputational damage of going concern issues</p> <p>Lack of funding for capital and change programmes</p> <p>Need to resort to short-term reactive measures</p> <p>Failure to achieve Best Value</p>			<p>Budget setting and approval process.</p> <p>Capital Plan setting and approval process.</p> <p>Capital Investment Strategy approval.</p> <p>Capital and revenue monitoring.</p> <p>Approval of 3-year revenue budget.</p> <p>Option Appraisals/business cases requirements and approval process.</p> <p>Capital Strategy Group scrutiny.</p> <p>Formal Timetable for revenue and capital monitoring</p> <p>Corporate Leadership Team approval and actions regarding revenue monitoring.</p> <p>Reserves Policy</p> <p>Medium Term Strategy</p> <p>Long Term Revenue Budget Forecast</p>

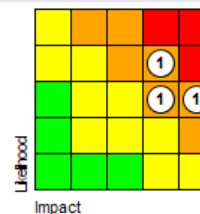
RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
<p>DCC002 Effectiveness of Partnerships</p>	<p>Risk that partnerships are not effectively commissioned, contracted and monitored and fail to deliver expected results. Key partnerships include:</p> <ul style="list-style-type: none"> <li>• L&amp;CD</li> <li>• Tayside Contracts</li> <li>• Tayside Plan for Children, Young People and Families</li> <li>• Employability Partnership</li> <li>• Alcohol and Drugs Partnership</li> <li>• Michelin Scotland Innovation Parc</li> <li>• Eden Project</li> </ul> <p>NB: IJB /DH&amp;SCP is considered separately as risk DCC012 IJB/DHSCP</p> <p>Impact / Consequence:</p> <ul style="list-style-type: none"> <li>• Reputational damage</li> <li>• Risk of dispute arising between partners</li> <li>• Partnership breakdown causes or is caused by failure to deliver outcomes / priorities</li> <li>• Needs are not met in accordance with approved strategies and policies</li> <li>• Potential overspends / additional costs incurred</li> <li>• Partnerships do not deliver value for money</li> </ul>			<ul style="list-style-type: none"> <li>Statutory Consultation Process</li> <li>Joined vision &amp; defined objectives</li> <li>Performance Management Framework</li> <li>Partnership Risk Strategy / Plan</li> <li>Governance Structure</li> <li>Partnership contract / Service Level Agreement</li> <li>Benchmarking / Market Testing</li> <li>Financial Monitoring</li> <li>Governance Structure</li> <li>Due Diligence &amp; Financial Governance</li> <li>Monitoring Meetings</li> <li>Review Meeting &amp; Reporting</li> <li>Quarterly Lead Officer Review Meeting</li> <li>'Follow The Public Pound' Reporting</li> </ul>

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC003 Resilience	<p>Risk that the Council is unable to deliver critical services due to inadequate business resilience or cyber security arrangements.</p> <p>Risk that the Council cannot respond to or support emergencies in its area, or meet requirements of the Civil Contingencies Act 2004</p> <p>Impact / Consequences</p> <ul style="list-style-type: none"> <li>- Allow physical, financial or emotional harm to come to citizens or stakeholders</li> <li>- Unable to deliver frontline services following disaster, failure or cyber security incident</li> <li>- Loss of information / records</li> <li>- Reputational impact</li> <li>- Unlawful disclosure of sensitive information</li> <li>- Financial cost and penalties</li> </ul>			<ul style="list-style-type: none"> <li>Senior Officer Resilience Group.</li> <li>Emergency response procedures</li> <li>Local Resilience Partnership</li> <li>Corporate Generic Emergency and Business Continuity Plans.</li> <li>Care Provision Impact Analysis</li> <li>Debriefs to Learn Lessons</li> <li>Appointment of Resilience Officer</li> <li>ICT Disaster Plan</li> <li>Data Centre Back-Up</li> <li>Safety &amp; Alarm Response Centre</li> <li>Weather Response Plans</li> <li>Communication Strategy</li> <li>Membership of Govt Cyber Security Team</li> <li>Scottish Government Cyber Essentials framework</li> <li>Cyber security Protection</li> <li>Cyber Penetration Testing</li> <li>Phishing testing / awareness procedures</li> <li>Payment Card Industry Standards Adherence</li> <li>Public Sector Network Accreditation</li> <li>Network Data Security</li> <li>Cyber Incident Response Plan</li> </ul>

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
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DCC004 City Plan

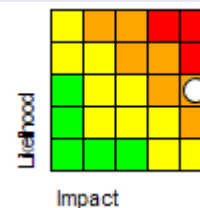
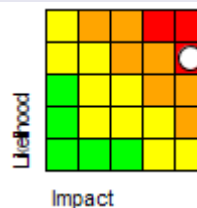
[LINK TO CITY PLAN 2022-2032](#)



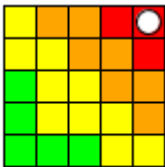
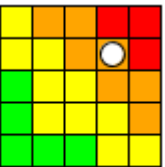
RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
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DCC004a CITY PLAN – Failure to Adequately Address Poverty / Inequalities

Dundee has enduring inequalities concentrated in certain communities, in particular Linlathen and Stobswell West. Within the City as a whole, 22.5% of children are living in poverty after housing costs, while 31% of all households in Dundee are estimated to be fuel poor. Health inequalities persist, with below average life expectancy, higher than average incidences of overweight and obese P1 pupils and issues with drug dependency. Failure to address these underlying issues risks further entrenchment of the current inequalities, a potential widening of the attainment gap and lost opportunities to improve wellbeing and raise citizens out of poverty, particularly in relation to children and young people.



- Child Poverty Pathfinder Project (Project Board Established)
- Local Fairness Initiatives – focus on Linlathen and Stobswell West
- Local Community Plans
- Child Healthy Weight Strategy
- Dundee Drug and Alcohol Services Strategic Commissioning Plan
- Dundee Health and Social Care Strategic and Commissioning Plan
- Local Child Poverty and Fairness Plan
- Strategic Housing Investment Plan
- Tayside Plan for Children, Young People and Families
- Fairness Leadership Panel

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC004b CITY PLAN – Failure to address climate change / net zero	<p>As a consequence of climate change, there is a risk that the Council may be unable to deliver the Council and Corporate plans. In response, the Council has declared a 'climate emergency'.</p> <p>Impact / Consequences:</p> <ul style="list-style-type: none"> <li>– operational and reputational impacts</li> <li>– irregular weather patterns – increased flood risk due to more extreme rainfall alongside heightened drought conditions</li> <li>– property and infrastructure damage sustained from more extreme wind</li> <li>– danger to individuals from storm damage to infrastructure / property / vegetation</li> <li>– financial costs of storm damage</li> <li>– financial requirements to adapt buildings to cope with climate change</li> </ul>	 <p style="text-align: center;">Impact</p>	 <p style="text-align: center;">Impact</p>	<p>Dundee Biodiversity Action Plan 2020–30</p> <p>Dundee Climate Action Plan</p> <p>Dundee Climate Leadership Group</p> <p>Intention to meet Net–Zero Greenhouse Gas Emissions by 2045 or earlier</p> <p>Local Food Growing Strategy</p> <p>Regional Transport Strategy</p> <p>Waste and Recycling Strategy Action Plan 2020–25</p> <p>Engage with communities about the climate challenge and foster participation and collaboration to enable local action</p> <p>Take action to ensure our communities, green networks and infrastructure are adaptable to a changing climate and reduce the risks and vulnerability to unavoidable impacts</p> <p>MSIP – 'supporting a fair and just transition to a net zero economy</p> <p>Council's Public Bodies Climate Change Duty Annual Report</p> <p>Local Heat and Energy Efficiency Strategy</p> <p>Net Zero Transition Plan</p> <p>Local Area Energy Plan</p>

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC004c CITY PLAN – Inadequate steps taken to generate inclusive economic growth / community wealth building	<p>In Dundee, the state of the economy is mixed. While there have been many efforts to increase economic growth and wealth generation, with improvements on levels of employment pre COVID, Dundee still falls below the average for Scotland in various key metrics. Dundee has a less economically active population than average and of those, less individuals were in employment than the average by 1.8%. The unemployment rate is higher by 1%( 4.9% compared to 3.9%) Although there has been major improvements since COVID, a lot of the working population will still be feeling the effects of COVID in the workplace. Failure to address these issues can result in higher unemployment rates and therefore a less economically active population. This can impair the city's ability to generate wealth and cultivate a strong economy that's sustainable going into the future</p>			<p>City Centre Investment Plan Discover Work Strategy &amp; Action Plan Dundee's Cultural Strategy 2015 – 2025 Tay Cities Deal and Regional Economic Strategy 2017 – 2037 Tourism Strategy Deliver an extensive community wealth building strategy Continue to take forward proposals for the Eden Project Increase the number of Start-ups and SMEs and support their expansion Deliver Michelin Scotland Innovation Parc's Vision and Business Plan Attract more Skilled Green Jobs Maximise apprenticeship opportunities Increase the number of better paid private sector jobs Grow the number of local organisations registered as Living Wage employers</p>

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC005 Governance	<p>Risk that the Council's governance arrangements do not operate effectively in order to meet stakeholder and legislative requirements. Impact / Consequence</p> <ul style="list-style-type: none"> <li>- Fail to deliver objectives</li> <li>- Unable to demonstrate Best Value</li> <li>- Inappropriate use of resources (from fraud or</li> </ul>			<p>Publication of Governance Documents Integrated Impact Assessments Public Meetings Where Possible Report Checking Procedures Whistleblowing Policy Leader of Opposition Chairs Scrutiny Committee</p>



error)

- Inadequate transparency
- Poor decision making
- Increased scrutiny

Annual Governance and Assurance Statement

Chief Financial Officer checklist completion and review

Integrity Group

Risk and Assurance Board

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC006 Corporate Health & Safety	<p>Risk that the Council has inadequate arrangements to protect those for whom it has a duty of care.</p> <p>Impact / Consequence</p> <ul style="list-style-type: none"> <li>- Allow harm to come to citizens, tenants, staff or stakeholders</li> <li>- Reputational impact of failure</li> <li>- Legal intervention</li> <li>- Financial cost and liabilities</li> <li>- Impact on staff wellbeing</li> </ul>	<p>Lielihood</p> <p>Impact</p>	<p>Lielihood</p> <p>Impact</p>	<ul style="list-style-type: none"> <li>H&amp;S Policy &amp; Training</li> <li>Risk Assessments</li> <li>Benchmarking</li> <li>Four Year H&amp;S Plan &amp; Actions</li> <li>Annual H&amp;S Reporting</li> <li>Induction Training</li> <li>H&amp;S Team Outposting</li> <li>Trade Unions Liaison</li> <li>Individual Service H&amp;S Procedures</li> </ul>

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC007 Information Governance	<p>Risk that the Council information is not governed in line with legislative requirements, including GDPR and FOI legislation.</p> <p>Impact / Consequences</p> <ul style="list-style-type: none"> <li>- Allow confidential or sensitive information to be shared unlawfully</li> <li>- Reputational impact of failure</li> <li>- Legal intervention</li> <li>- Prosecution</li> <li>- Financial cost and liabilities</li> <li>- No suitable information available to support</li> </ul>	<p>Lielihood</p> <p>Impact</p>	<p>Lielihood</p> <p>Impact</p>	<ul style="list-style-type: none"> <li>Appropriate Policies In Place</li> <li>Annual accreditation to Public Service Network framework</li> <li>Cyber Essentials framework</li> <li>Cyber Security Protection</li> <li>External Penetration Testing</li> <li>Payment Card Industry Standards Adherence</li> <li>Data Centre Back-Up</li> <li>Network Data Security</li> </ul>

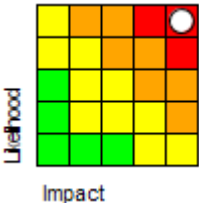
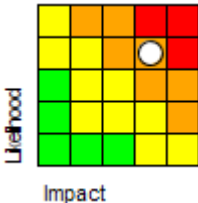
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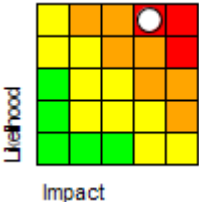
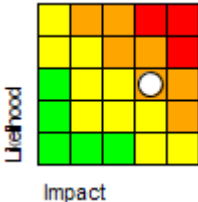
Information Governance Manager Appointed  
 Training  
 Data Loss Prevention Policies

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC008 Workforce	<p>Risk that there is inappropriate or insufficient staff resources to meet service demands and deliver the Council vision</p> <p>Impact / Consequences</p> <ul style="list-style-type: none"> <li>- Fail to deliver objectives</li> <li>- Increased sickness absence</li> <li>- High vacancy level / inability to recruit</li> <li>- Reliance on contractors / agency staff</li> <li>- Loss of corporate knowledge from departures</li> <li>- Inadequate skills / experience</li> <li>- Lack of resources to deliver priorities</li> <li>- Impact on personal wellbeing</li> <li>- Loss of specialist skills to competitors</li> </ul>	<p>Lielihood</p> <p>Impact</p>	<p>Lielihood</p> <p>Impact</p>	<p>Management Training</p> <p>Employee Support</p> <p>Recruitment Procedures</p> <p>Terms &amp; Conditions</p> <p>Sickness Absence Monitoring</p> <p>Employee Reviews</p> <p>Talent Management</p> <p>Developing Young Workforce</p> <p>Strategic Frameworks</p> <p>Strategy Linkages</p> <p>Leadership Development</p> <p>Strategic Trade Union Forum</p>

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC009 Statutory & Legislative Compliance	<p>Risk that the Council fails to operate in accordance with law, regulation and statutory guidelines</p> <p>Impact / Consequences</p> <ul style="list-style-type: none"> <li>- Non-compliance and legal challenge</li> <li>- Financial cost and liabilities</li> <li>- Obligations to vulnerable groups not met</li> <li>- Reputational impact</li> <li>- Ministerial or Regulatory action/censure</li> <li>- Failure to achieve Best Value</li> </ul>	<p>Lielihood</p> <p>Impact</p>	<p>Lielihood</p> <p>Impact</p>	<p>Appointment of Legally Qualified Officers</p> <p>Monitoring Officer Appointed</p> <p>Monitoring of Legislative developments</p> <p>Professional Expertise</p> <p>Oversight Teams / Committees</p> <p>Risk and Assurance Board</p>

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC010 Major Project Delivery	<p>Risk that major projects are not delivered on time, to budget and do not provide the designed benefits.</p> <p>Impact / Consequences</p> <ul style="list-style-type: none"> <li>- Fail to deliver objectives</li> <li>- Essential services not delivered</li> <li>- Financial cost and liabilities</li> <li>- Reputational impact</li> </ul>	<p>Lielihood</p> <p>Impact</p>	<p>Lielihood</p> <p>Impact</p>	<ul style="list-style-type: none"> <li>Continued use of Project Boards</li> <li>Regular Project Reviews</li> <li>Project Management Resourcing</li> <li>Option Appraisals / Approval Process</li> <li>Procurement Route Selection Process</li> <li>Management Systems in Place</li> <li>Statutory consultation</li> <li>Capital Strategy Group Scrutiny</li> <li>Capital Plan setting and approval process</li> <li>Capital Investment Strategy approval</li> <li>Capital and revenue monitoring</li> </ul>
DCC011 Transformation	<p>Risk that transformation and change impacts on business as usual activities, fails to deliver objectives and benefits or is insufficient in response to the changing external environment.</p> <p>Impact / Consequences</p> <ul style="list-style-type: none"> <li>- Fail to deliver objectives/implement agreed changes</li> <li>- Financial cost and liabilities</li> <li>- Demand and expectations not met</li> <li>- Fail to achieve required savings</li> <li>- Reputational impact</li> <li>- Impact on staff wellbeing and culture</li> </ul>	<p>Lielihood</p> <p>Impact</p>	<p>Lielihood</p> <p>Impact</p>	<ul style="list-style-type: none"> <li>Programme Review</li> <li>Programme Management Office Established</li> <li>Corporate Leadership Team Sponsorship &amp; Scrutiny</li> <li>Review Procedures &amp; Methodologies</li> <li>Alignment With Council &amp; City Plan Priorities</li> <li>Budget Monitoring &amp; Benefit Realisation In Place</li> <li>Capital Plan Management</li> <li>Workforce Plan Reporting &amp; Scrutiny</li> </ul>

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC012 Integration Joint Board / Dundee Health and Social Care Partnership	<p>Risk that the Dundee HSCP is unable to deliver statutory / essential services due to financial, workforce or governance issues</p> <p>Impact / Consequences</p> <ul style="list-style-type: none"> <li>• Unable to meet aims within anticipated timescales</li> <li>• Unable to maintain spend within allocated resources</li> <li>• staffing issues impact on organisational priorities and operational delivery</li> <li>• adverse impact on staff engagement / buy-in</li> <li>• impact on staff morale and potential exposure to claims</li> </ul>			<p>Financial Monitoring</p> <p>Management of Workforce employed by DCC</p> <p>Budget setting process</p> <p>Elected Member representation on Integration Joint Board</p> <p>Integration Joint Board Agendas and Minutes published on DCC website</p> <p>IJB Internal Audit Plans and Reports are reported to the Council's Scrutiny Committee</p> <p>Benefit also received from control measures deployed for risk DCC008 relating to Workforce</p> <p>HSCP Transformation Plans</p> <p>Supporting Capacity of HSCP Leadership Team</p> <p>Ensuring adequate control and sustainability of corporate IT systems</p> <p>Limiting increased bureaucracy through understanding delegated roles and functions</p>

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC013 Fraud & Corruption	<p>Risk that the council is exposed to all elements of fraud &amp; corruption including those in the following categories:</p> <ul style="list-style-type: none"> <li>~ financial transactions including money laundering</li> <li>~ human resources</li> <li>~ procurement &amp; contracting</li> <li>~ property leases &amp; land</li> <li>~ IT / data</li> </ul>			<p>whistleblowing / fraud reporting policy &amp; procedures</p> <p>registers of interests (members &amp; officers)</p> <p>integrity group</p> <p>gifts gratuities &amp; hospitality policy</p> <p>close working relationships policy</p> <p>Serious Organised Crime Group 'SOCG' – DETER action plan</p> <p>fraud guidelines</p>

- ~ decision making
- Impact / consequences:
- ~ financial loss to the council
- ~ failure to achieve best value
- ~ inappropriate awards of contracts
- ~ potential sub-standard service
- ~ potential legal challenge
- ~ adverse audit
- ~ reputational damage to the council
- ~ impact on staff morale
- ~ failure to comply with legislation / regulation
- ~ inappropriate influence / decision making
- ~ data loss / misappropriation
- ~ enabling serious organised crime

annual governance statement self-assessment process, with central review of responses for efficiency / compliance

Anti Money Laundering procedures / reporting officer

data matching processes & procedures including National Fraud Initiative

revenue & capital monitoring

systems access controls

procurement / supplier controls

active information sharing

anti-bribery policy in place

formal reconciliation framework

Ethical values framework (incorporates national code of conduct, whistleblowing, fraud etc)

Control self-assessment and best practice guides

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC015 Property & Infrastructure Assets	The Council holds significant levels of property and infrastructure assets valued at over £1bn. There are various risks associated with these assets, including (but not limited to) the need to support an adequate level of ongoing investment to maintain, improve and replace them; the potential for loss of critical assets; societal changes resulting in potential redundancy of certain assets / increased demand for others. There are key areas of potential impact within the Council associated to property and infrastructure risks, and for control and monitoring purposes this			

risk has been split into sub risks. These are assessed and reviewed individually.

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC015a Delivery of General Fund Service(s) Affected by Loss of Critical Asset(s)	<p>Risk to service delivery due to the loss of a critical asset.</p> <p>The Council is reliant on the availability of assets as enablers for the delivery of key services. The Council's tenure varies between owner, tenant and landlord, and the assets are an eclectic mix from office accommodation, light industrial, schools and housing, to depots, parks and roads. The effect and timescale for recovery following complete or partial loss of a critical asset will vary dependent on the individual asset and the specific risk event.</p> <p>Impact / Consequences:</p> <ul style="list-style-type: none"> <li>~ loss of income / cost of alternative service provision</li> <li>~ service interruption / loss</li> <li>~ political risk</li> <li>~ Inability to meet client expectations / interruption of statutory services delivery</li> </ul>			<ul style="list-style-type: none"> <li>Home working arrangements</li> <li>Flexible Buildings</li> <li>Flexible Workforce</li> </ul>

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC015b Delivery of HRA Service(s) affected by Loss of Critical Asset(s)	<p>The Council has a large-scale exposure to property risk, as owner and landlord of around 12,500 Council owned residential properties. Whilst the risk to residential property is mostly spread over terraced, semi-detached and small blocks of flats and therefore limited in terms of extent, there remain larger flatted multi blocks which would pose a major risk event should the loss of one of</p>			<ul style="list-style-type: none"> <li>Housing emergency accommodation plan</li> <li>Out of hours service – duty to respond in case of emergency</li> <li>Maintaining staff awareness through briefing sessions on housing emergency plan</li> <li>Tenants' responsibilities</li> <li>Investment / planned maintenance plans</li> </ul>

these occur for whatever reason. In addition, the Service is responsible for direct access temporary accommodation, specifically Lily Walker which is used for homeless accommodation.

Climate change adds to the risk levels with potential for more frequent and intense storms resulting in increased incidence of damage and loss, and ongoing expectations of improving standards in respect of insulation, heating, cooling, quality.

The Council has identified a number of properties with Reinforced Aerated Autoclaved Concrete (RAAC) in Council properties in Dundee.

Impact / consequences:

- Increased costs of compliance / protection / maintenance / repair
- Political / reputational damage
- Insufficient / inadequate housing stock to meet demand
- Increased H&S risks

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
DCC015c Delivery of the Council's Long Term Objectives is Impacted by Insufficient Investment in Assets & Infrastructure	The Council continues to experience a period of financial constraints which, combined with high inflationary pressures, has led to reduced availability of revenue and capital funds and an increasing need to focus tight cash resources on key priorities. There is an ongoing, and potentially increasing, level of risk that this will lead to inadequate investment in assets and infrastructure (both existing and new) resulting in an impact on the Council's ability to meet its strategic			Corporate Asset Management Plan Individual Asset Management Plans – Class Specific Detailed Asset Reviews Strategic Housing Investment Plan (SHIP)

objectives. This may be a direct or indirect impact, or potentially both.

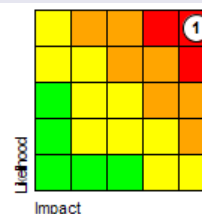
Impact / Consequences:

- ~ Ongoing erosion to the standard of existing assets / infrastructure leading to higher costs in the longer term to repair / replace these
- ~ Key assets / infrastructure become unfit for purpose, leading to their complete loss
- ~ Service provision impacted adversely / inability to provide some services
- ~ Environmental obligations not, or only partially met

RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
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DCC017 Public Sector Reform

Ongoing public sector reform is anticipated, with this taking various forms and having the potential to impact any part of the Council. For this reason, various sub-risks will be used to reflect the different areas of risk as these are identified.



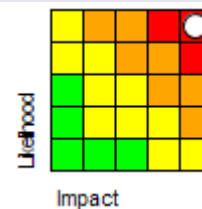
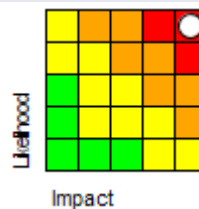
RISK CODE & TITLE	RISK DESCRIPTION	INHERENT RISK	CURRENT RISK	CONTROL MEASURES
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DCC017a National Care Service

The creation of a new National Care Service represents a risk to the Council, it's staff and to service users. Specifically the uncertainty surrounding how the NCS will eventually be structured, including the interface with Local Authorities such as resource provision, funding and provision / funding of support services.

Impact / Consequences:

- ~ impact on the ability to improve outcomes for service users



Influencing through membership / association with external bodies  
 Scenario Planning  
 Ongoing Consideration of the impact on support services and action which may be required to rationalise / protect these



- ~ service disruption
- ~ staff concerns – employment position unclear / potential recruitment and retention difficulties
- ~ uncertainty likely to exacerbate already 'fragile' position in terms of recruitment and retention
- ~ lack of clarity over future of the essential Chief Social Worker role
- ~ inability to reasonably plan for ongoing service provision
- ~ lack of clarity over future of Integrated Children's Services – at time of writing (10/2022) a national working group has been established to consider this, but this is at a very early stage.
- ~ as yet unknown impact on support services currently provided by the Council
- ~ financial impact
- ~ reduction to / loss of local input
- ~ uncertainty over longer term occupation of Council owned / leased HSCP premises?

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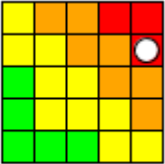
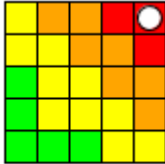



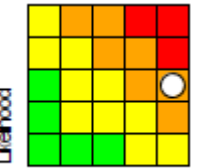
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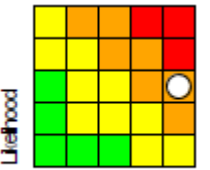
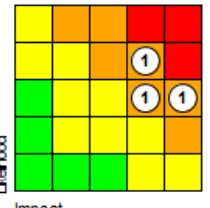
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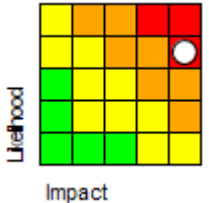
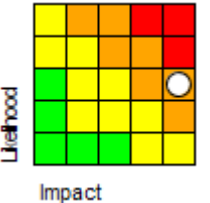
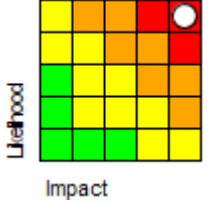
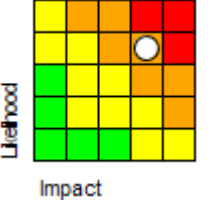
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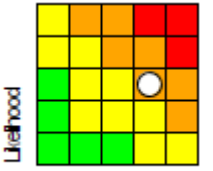

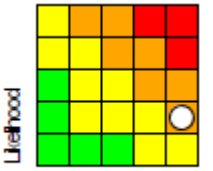
Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
1. COUNCIL CORPORATE RISKS - DCC Corporate Level Risk Register	The Council's high level Corporate Risk Register. Risks held directly within this register are the key high level risks to delivery of the Council's strategic goals.					

Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
DCC001 Financial Sustainability	Risk that the Council is unable to deliver priorities and meet financial obligations due to financial constraints arising from funding pressures and demand pressures Impact / Consequences Fail to deliver objectives Maintaining sufficient revenue and capital resources to meet ambitions Reputational damage of going concern issues Lack of funding for capital and change programmes Need to resort to short-term reactive measures Failure to achieve Best Value	 <p style="text-align: center;">Likelihood</p> <p style="text-align: center;">Impact</p>	 <p style="text-align: center;">Likelihood</p> <p style="text-align: center;">Impact</p>	CDDP004 Financial	25	16
				CDDP012 Economic Downturn	20	12
				CDPE002 Finance	20	6
				CDPE009 Economic Downturn	20	15
				CDRT006 Finance	25	9
				CDRT017 Economic Downturn	20	6
				CFCJ002 Funding	25	12
				CFED010 Financial Management & Sustainability	20	12
				CSCF009 Finance - Planning	25	25
				CSCF010 Finance - Management	25	25
				CSCS001 Budget / Finance	20	15
				CSHB004 Finance	20	12
				DCC004c CITY PLAN - Inadequate steps taken to generate inclusive economic growth / community wealth building	25	12
				DCC015c Delivery of the Council's Long Term Objectives is Impacted by Insufficient Investment in Assets & Infrastructure	20	20
				NSCo003 Finance / Sustainability	20	9
				NSCS004 Budgets	12	6
				NSEN004 Resourcing / Finance	20	12
NSHC001 Finance	20	9				


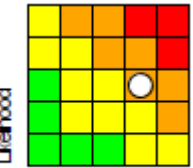
Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
DCC002 Effectiveness of Partnerships	Risk that partnerships are not effectively commissioned, contracted and monitored and fail to deliver expected results. Key partnerships include: <ul style="list-style-type: none"> <li>• L&amp;CD</li> <li>• Tayside Contracts</li> <li>• Tayside Plan for Children, Young People and Families</li> <li>• Employability Partnership</li> <li>• Alcohol and Drugs Partnership</li> <li>• Michelin Scotland Innovation Parc</li> <li>• Eden Project</li> </ul> NB: IJB /DH&SCP is considered separately as risk DCC012 IJB/DHSCP <p>Impact / Consequence:</p> <ul style="list-style-type: none"> <li>• Reputational damage</li> <li>• Risk of dispute arising between partners</li> <li>• Partnership breakdown causes or is caused by failure to deliver outcomes / priorities</li> <li>• Needs are not met in accordance with approved strategies and policies</li> <li>• Potential overspends / additional costs incurred</li> <li>• Partnerships do not deliver value for money</li> </ul>	 <p style="text-align: center;">Impact</p>	 <p style="text-align: center;">Impact</p>	CDPE005 Partnerships	20	6
				CDRT007 Suppliers / Partners	12	6
				CFCJ007 Partnerships / External Providers	25	9
				CFED004 Supplier / Partner Failure	9	12
				CSCS006 Suppliers / Service Providers	16	8
				CSIT010 Failure of External ICT Suppliers To Deliver Required Agreed Service	16	9
				NSCS007 Suppliers / Partnerships / Contracts	12	8
				NSEN017 Partners / Suppliers	16	12
NSHC007 Partners & Suppliers	16	16				

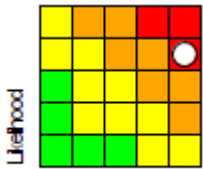
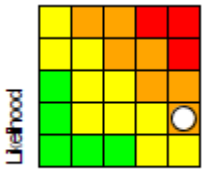
Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
DCC003 Resilience	Risk that the Council is unable to deliver critical services due to inadequate business resilience or cyber security arrangements. Risk that the Council cannot respond to or support emergencies in its area, or meet requirements of the Civil Contingencies Act 2004 Impact / Consequences - Allow physical, financial or emotional harm to come to citizens or stakeholders - Unable to deliver frontline services following disaster, failure or cyber security incident - Loss of information / records - Reputational impact - Unlawful disclosure of sensitive information - Financial cost and penalties			CDDP010 Climate Change / Environment	25	15
				CDPE014 Climate Change / Environment	20	12
				CDRT010 Severe Weather	20	9
				CFCJ012 Failure of Critical Services	20	9
				CFED003 Failure of Critical Services	9	12
				CFED007 Critical Incidents	20	15
				CSIT002 Failure to provide regular maintenance and/or timely incident resolution for software & hardware	16	9
				CSIT004 Failure to Protect The Council From a Cyber Attack	25	16
				CSIT006 Failure To Restore Critical Business Services on a Timely Basis Following An Outage	20	6
				CSIT015 Failure To Resolve Incidents	16	6
				NSCS010 Emergency Response	25	10
				NSEN010 Emergency Response	25	12
NSHC010 Emergency Response	25	12				
DCC004 City Plan	<a href="#">LINK TO CITY PLAN 2022-2032</a>					

Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
DCC004a CITY PLAN - Failure to Adequately Address Poverty / Inequalities	Dundee has enduring inequalities concentrated in certain communities, in particular Linlathen and Stobswell West. Within the City as a whole, 22.5% of children are living in poverty after housing costs, while 31% of all households in Dundee are estimated to be fuel poor. Health inequalities persist, with below average life expectancy, higher than average incidences of overweight and obese P1 pupils and issues with drug dependency. Failure to address these underlying issues risks further entrenchment of the current inequalities, a potential widening of the attainment gap and lost opportunities to improve wellbeing and raise citizens out of poverty, particularly in relation to children and young people.			CEHLO02 Ineffective implementation of Fairness and Child Poverty Action Plan	12	16
				HSCP026 Drug and Alcohol Recovery Service	25	16
DCC004b CITY PLAN - Failure to address climate change / net zero	As a consequence of climate change, there is a risk that the Council may be unable to deliver the Council and Corporate plans. In response, the Council has declared a 'climate emergency'. Impact / Consequences: - operational and reputational impacts - irregular weather patterns - increased flood risk due to more extreme rainfall alongside heightened drought conditions - property and infrastructure damage sustained from more extreme wind - danger to individuals from storm damage to infrastructure / property / vegetation - financial costs of storm damage - financial requirements to adapt buildings to cope with climate change			CDDP010 Climate Change / Environment	25	15
				CDPE014 Climate Change / Environment	20	12
				CDRT010 Severe Weather	20	9
				CEHLO10 Emergency communications	12	12
				CETP041 Climate Change - Insufficient NECPO Response	6	6
				NSCS010 Emergency Response	25	10
				NSEN010 Emergency Response	25	12

Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
DCC004c CITY PLAN - Inadequate steps taken to generate inclusive economic growth / community wealth building	In Dundee, the state of the economy is mixed. While there have been many efforts to increase economic growth and wealth generation, with improvements on levels of employment pre COVID, Dundee still falls below the average for Scotland in various key metrics. Dundee has a less economically active population than average and of those, less individuals were in employment than the average by 1.8%. The unemployment rate is higher by 1%( 4.9% compared to 3.9%) Although there has been major improvements since COVID, a lot of the working population will still be feeling the effects of COVID in the workplace. Failure to address these issues can result in higher unemployment rates and therefore a less economically active population. This can impair the city's ability to generate wealth and cultivate a strong economy that's sustainable going into the future	 <p style="text-align: center;">Impact</p>	 <p style="text-align: center;">Impact</p>	CDDP012 Economic Downturn	20	12
				CDPE009 Economic Downturn	20	15
				CDRT017 Economic Downturn	20	6
				CSCF009 Finance - Planning	25	25
				DCC001 Financial Sustainability	20	25
DCC005 Governance	Risk that the Council's governance arrangements do not operate effectively in order to meet stakeholder and legislative requirements. Impact / Consequence - Fail to deliver objectives - Unable to demonstrate Best Value - Inappropriate use of resources (from fraud or error) - Inadequate transparency - Poor decision making - Increased scrutiny	 <p style="text-align: center;">Impact</p>	 <p style="text-align: center;">Impact</p>			



Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
DCC006 Corporate Health & Safety	Risk that the Council has inadequate arrangements to protect those for whom it has a duty of care. Impact / Consequence - Allow harm to come to citizens, tenants, staff or stakeholders - Reputational impact of failure - Legal intervention - Financial cost and liabilities - Impact on staff wellbeing	 <p style="text-align: center;">Impact</p>	 <p style="text-align: center;">Impact</p>	CDDP014 Health & Safety	25	10
				CDPE016 Health & Safety	25	10
				CDRT011 Health & Safety	25	8
				CFCJ004 Harm (to / caused by service user)	25	15
				CFED005 Health & Safety	25	15
				CSCS005 Health & Safety (Staff / Clients Under Threat, incl at venues)	20	12
				CSHB006 Health & Safety / Protection (Internal & External)	25	12
				NSCo008 Health & Safety	25	12
				NSCS008 Health & Safety	20	6
				NSEN009 Health & Safety Procedures / Training	20	12
				NSEN021 Ash Dieback	25	15
				NSHC006 Health & Safety	20	12

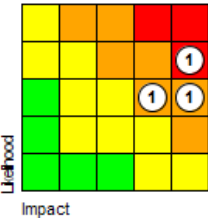
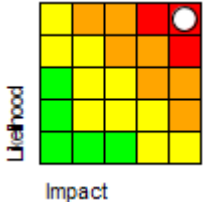
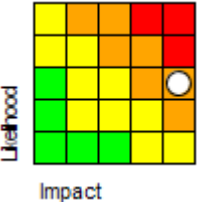
Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
DCC007 Information Governance	Risk that the Council information is not governed in line with legislative requirements, including GDPR and FOI legislation. Impact / Consequences - Allow confidential or sensitive information to be shared unlawfully - Reputational impact of failure - Legal intervention - Prosecution - Financial cost and liabilities - No suitable information available to support decision making			CDDP013 Data Protection	20	12
				CDDP016 Failure to Remove Systems Access Following an Officer Status Change	20	15
				CDPE011 Data Protection	20	12
				CDPE018 Failure to Remove Systems Access Following an Officer Status Change	20	8
				CDRT015 Information Governance	9	6
				CEHLO21 CEHL - Information Governance	20	8
				CEHLO23 Failure to Remove Systems Access Following an Officer Status Change	20	10
				CFCJ008 Data Protection / Information Governance	25	12
				CFCJ016 Failure to Remove Systems Access Following an Officer Status Change	20	15
				CFED006 Information Governance	15	15
				CFED015 Failure to Remove Systems Access Following an Officer Status Change	20	15
				CSCF028 Data Protection / Information Governance	25	15
				CSCF032 Failure to Remove Systems Access Following an Officer Status Change	20	15
				CSCS002 Information / GDPR / Confidentiality	25	15
				CSCS010 Failure to Remove Systems Access Following an Officer Status Change	20	15
				CSCS021 Copy of Failure to Remove Systems Access Following an Officer Status Change	20	6
				CSDL003 Data Protection	25	6
				CSDL008 Failure to Remove Systems Access Following an Officer Status Change	20	20
				CSHB002 Data Protection / Access / Management	25	9
				CSHB011 Failure to Remove Systems Access Following an Officer Status Change	20	9
CSIT004 Failure to Protect The Council From a Cyber Attack	25	16				
CSIT005 Failure to Protect Sensitive Data	16	9				
CSIT009 Failure to Control IT User Access	20	6				

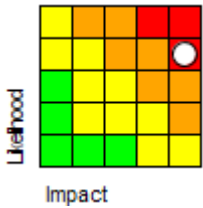
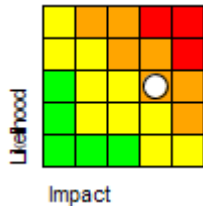
Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
				CSIT014 Control Failures	16	9
				CSIT016 Failure to Remove Systems Access Following an Officer Status Change	20	15
				NSCo013 Failure to Remove Systems Access Following an Officer Status Change	20	12
				NSCS005 Information Governance	20	6
				NSCS012 Failure to Remove Systems Access Following an Officer Status Change	20	15
				NSEN018 Information Governance	25	12
				NSEN022 Failure to Remove Systems Access Following an Officer Status Change	20	3
				NSHC008 Information Governance	25	12
				NSHC013 Failure to Remove Systems Access Following an Officer Status Change	20	12

Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
DCC008 Workforce	Risk that there is inappropriate or insufficient staff resources to meet service demands and deliver the Council vision Impact / Consequences - Fail to deliver objectives - Increased sickness absence - High vacancy level / inability to recruit - Reliance on contractors / agency staff - Loss of corporate knowledge from departures - Inadequate skills / experience - Lack of resources to deliver priorities - Impact on personal wellbeing - Loss of specialist skills to competitors			CDDP003 Staff	20	12
				CDPE003 STAFF (recruitment / retention / succession planning / skills gaps)	20	12
				CDPE004 STAFF (engagement / management / communications)	16	6
				CDRT004 Staffing	20	8
				CFCJ001 Staff	25	4
				CFED008 Workforce	15	12
				CSCF005 Staff - Recruitment / Retention	20	20
				CSCF006 Staff - Management / Engagement / Policy	20	12
				CSCS004 Staff - Levels / Training	20	9
				CSDL002 Staff	25	9
				CSHB001 People	20	8
				CSIT008 Over-reliance On Key Individuals With Key Knowledge Or experience	12	9
				DCC012 Integration Joint Board / Dundee Health and Social Care Partnership	25	16
				NSCo002 Workforce	16	12
				NSCS002 Staff - Resourcing	20	8
				NSCS003 Staff - Competency (loss of key staff)	20	16
				NSEN014 Staff - Resourcing	25	16
				NSEN015 Staff - Competency (loss of key staff)	20	12
				NSHC002 Staff - Competency	20	6
				NSHC003 Staff - Resources	25	6


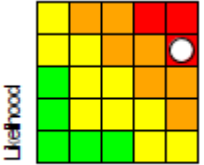
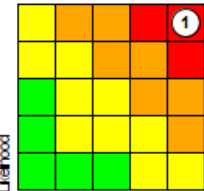
Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
DCC009 Statutory & Legislative Compliance	Risk that the Council fails to operate in accordance with law, regulation and statutory guidelines Impact / Consequences - Non compliance and legal challenge - Financial cost and liabilities - Obligations to vulnerable groups not met - Reputational impact - Ministerial or Regulatory action/censure - Failure to achieve Best Value			CDDP007 Compliance with Legislation / Regulation / Guidance	20	12
				CDPE008 Legislation / Regulation	20	8
				CDRT008 Legislative / Regulatory Compliance	16	2
				CFCJ006 Demand-Led Services / Legislation	25	16
				CFED011 Statutory / Regulatory Compliance	25	15
				CSCS007 Compliance	25	10
				CSDL006 Regulatory / Legislative Compliance	20	8
				CSHB005 Legal / Legislative	10	8
				CSIT007 Failure To Comply With Legislation / Regulations	12	6
				NSCo007 Legal / Regulatory Compliance	15	15
				NSCS009 Compliance	25	15
				NSEN008 Legal / Regulatory Compliance	25	15
				NSHC004 Compliance	25	9
DCC010 Major Project Delivery	Risk that major projects are not delivered on time, to budget and do not provide the designed benefits. Impact / Consequences - Fail to deliver objectives - Essential services not delivered - Financial cost and liabilities - Reputational impact			CDDP006 Waterfront	25	9
				CFCJ014 Transformation / Major Project Delivery	25	16
				CFED013 Transformation / Major Project Delivery	20	8
				Mosaic001 Mosaic Adult Finance Go Live		
DCC011 Transformation	Risk that transformation and change impacts on business as usual activities, fails to deliver objectives and benefits or is insufficient in response to the changing external environment. Impact / Consequences - Fail to deliver objectives/implement agreed changes - Financial cost and liabilities - Demand and expectations not met - Fail to achieve required savings - Reputational impact - Impact on staff wellbeing and culture			CEHL022 Transformation	15	9
				CFCJ014 Transformation / Major Project Delivery	25	16
				CFED013 Transformation / Major Project Delivery	20	8
				CSCF031 Transformation / Change	25	12
				CSCS009 Transformation / Change Management	12	9
				CSHB010 Transformation & Change Management	16	6
				CSIT011 Failure To Modernise	16	6
				CSIT012 Failure to Manage Change	20	9
				NSCo005 Future Delivery Model	25	12


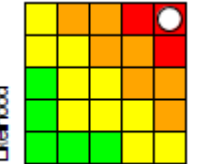
Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
DCC012 Integration Joint Board / Dundee Health and Social Care Partnership	Risk that the Dundee HSCP is unable to deliver statutory / essential services due to financial, workforce or governance issues Impact / Consequences <ul style="list-style-type: none"> <li>• Unable to meet aims within anticipated timescales</li> <li>• Unable to maintain spend within allocated resources</li> <li>• staffing issues impact on organisational priorities and operational delivery</li> <li>• adverse impact on staff engagement / buy-in</li> <li>• impact on staff morale and potential exposure to claims</li> </ul>			3.a HSC IJB / HSCP		
				DCC008 Workforce	16	16
DCC013 Fraud & Corruption	Risk that the council is exposed to all elements of fraud & corruption including those in the following categories: ~ financial transactions including money laundering ~ human resources ~ procurement & contracting ~ property leases & land ~ IT / data ~ decision making Impact / consequences: ~ financial loss to the council ~ failure to achieve best value ~ inappropriate awards of contracts ~ potential sub-standard service ~ potential legal challenge ~ adverse audit ~ reputational damage to the council ~ impact on staff morale ~ failure to comply with legislation / regulation ~ inappropriate influence / decision making ~ data loss / misappropriation ~ enabling serious organised crime			CDDP015 Fraud & Corruption	20	12
				CDPE017 Fraud & Corruption	20	8
				CDRT013 Fraud	20	9
				CEHL013 Fraud Risk	4	3
				CFCJ015 Fraud & Corruption	25	8
				CFED014 Fraud & Corruption	25	12
				CSCF011 Fraud & Corruption	25	12
				CSCS008 Fraud & Corruption	25	10
				CSDL007 Fraud & Corruption	15	2
				CSHB009 Fraud & Corruption	25	12
				NSCo012 Fraud & Corruption	25	12
				NSCS011 Fraud & Corruption	25	10
				NSEN020 Fraud & Corruption	25	8
				NSHC012 Fraud & Corruption	25	12

Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
DCC015 Property & Infrastructure Assets	<p>The Council holds significant levels of property and infrastructure assets valued at over £1bn. There are various risks associated with these assets, including (but not limited to) the need to support an adequate level of ongoing investment to maintain, improve and replace them; the potential for loss of critical assets; societal changes resulting in potential redundancy of certain assets / increased demand for others. There are key areas of potential impact within the Council associated to property and infrastructure risks, and for control and monitoring purposes this risk has been split into sub risks. These are assessed and reviewed individually.</p>					
DCC015a Delivery of General Fund Service(s) Affected by Loss of Critical Asset(s)	<p>Risk to service delivery due to the loss of a critical asset. The Council is reliant on the availability of assets as enablers for the delivery of key services. The Council's tenure varies between owner, tenant and landlord, and the assets are an eclectic mix from office accommodation, light industrial, schools and housing, to depots, parks and roads. The effect and timescale for recovery following complete or partial loss of a critical asset will vary dependent on the individual asset and the specific risk event.</p> <p>Impact / Consequences:</p> <ul style="list-style-type: none"> <li>~ loss of income / cost of alternative service provision</li> <li>~ service interruption / loss</li> <li>~ political risk</li> <li>~ Inability to meet client expectations / interruption of statutory services delivery</li> </ul>			DCC015b Delivery of HRA Service(s) affected by Loss of Critical Asset(s)	20	12
				DCC015c Delivery of the Council's Long Term Objectives is Impacted by Insufficient Investment in Assets & Infrastructure	20	20
				NSCo010 Facilities (Property / Infrastructure)	25	12
				NSEN005 Property /Asset Management	20	12
				NSHL002 Property Assets	20	12

Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
DCC015b Delivery of HRA Service(s) affected by Loss of Critical Asset(s)	The Council has a large-scale exposure to property risk, as owner and landlord of around 12,500 Council owned residential properties. Whilst the risk to residential property is mostly spread over terraced, semi-detached and small blocks of flats and therefore limited in terms of extent, there remain larger flatted multi blocks which would pose a major risk event should the loss of one of these occur for whatever reason. In addition, the Service is responsible for direct access temporary accommodation, specifically Lily Walker which is used for homeless accommodation. Climate change adds to the risk levels with potential for more frequent and intense storms resulting in increased incidence of damage and loss, and ongoing expectations of improving standards in respect of insulation, heating, cooling, quality. The Council has identified a number of properties with Reinforced Aerated Autoclaved Concrete (RAAC) in Council properties in Dundee. Impact / consequences: - Increased costs of compliance / protection / maintenance / repair - Political / reputational damage - Insufficient / inadequate housing stock to meet demand - Increased H&S risks			DCC015a Delivery of General Fund Service(s) Affected by Loss of Critical Asset(s)	25	15
				DCC015c Delivery of the Council's Long Term Objectives is Impacted by Insufficient Investment in Assets & Infrastructure	20	20
				NSCo010 Facilities (Property / Infrastructure)	25	12
				NSEN005 Property /Asset Management	20	12
				NSHC009 Property Management (Council Housing)	20	12
				NSHL002 Property Assets	20	12



Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
DCC015c Delivery of the Council's Long Term Objectives is Impacted by Insufficient Investment in Assets & Infrastructure	The Council continues to experience a period of financial constraints which, combined with high inflationary pressures, has led to reduced availability of revenue and capital funds and an increasing need to focus tight cash resources on key priorities. There is an ongoing, and potentially increasing, level of risk that this will lead to inadequate investment in assets and infrastructure (both existing and new) resulting in an impact on the Council's ability to meet its strategic objectives. This may be a direct or indirect impact, or potentially both. Impact / Consequences: ~ Ongoing erosion to the standard of existing assets / infrastructure leading to higher costs in the longer term to repair / replace these ~ Key assets / infrastructure become unfit for purpose, leading to their complete loss ~ Service provision impacted adversely / inability to provide some services ~ Environmental obligations not, or only partially met	 <p style="text-align: center;">Impact</p>	 <p style="text-align: center;">Impact</p>	CDDP004 Financial	25	16
				CDHL003 Finance	25	16
				CSCF009 Finance - Planning	25	25
				DCC001 Financial Sustainability	20	25
				DCC015a Delivery of General Fund Service(s) Affected by Loss of Critical Asset(s)	25	15
				DCC015b Delivery of HRA Service(s) affected by Loss of Critical Asset(s)	20	12
				NSEN005 Property /Asset Management	20	12
DCC017 Public Sector Reform	Ongoing public sector reform is anticipated, with this taking various forms and having the potential to impact any part of the Council. For this reason, various sub-risks will be used to reflect the different areas of risk as these are identified.		 <p style="text-align: center;">Impact</p>			

Risk Code & Title	Risk Description	Inherent Risk	Residual Risk	Related Risks Code & Title	Inherent Risk Score	Residual Risk Score
DCC017a National Care Service	<p>The creation of a new National Care Service represents a risk to the Council, it's staff and to service users. Specifically the uncertainty surrounding how the NCS will eventually be structured, including the interface with Local Authorities such as resource provision, funding and provision / funding of support services.</p> <p>Impact / Consequences:</p> <ul style="list-style-type: none"> <li>~ impact on the ability to improve outcomes for service users</li> <li>~ service disruption</li> <li>~ staff concerns - employment position unclear / potential recruitment and retention difficulties</li> <li>~ uncertainty likely to exacerbate already 'fragile' position in terms of recruitment and retention</li> <li>~ lack of clarity over future of the essential Chief Social Worker role</li> <li>~ inability to reasonably plan for ongoing service provision</li> <li>~ lack of clarity over future of Integrated Children's Services - at time of writing (10/2022) a national working group has been established to consider this, but this is at a very early stage.</li> <li>~ as yet unknown impact on support services currently provided by the Council</li> <li>~ financial impact</li> <li>~ reduction to / loss of local input</li> <li>~ uncertainty over longer term occupation of Council owned / leased HSCP premises?</li> </ul>	 <p style="text-align: center;">Impact</p>	 <p style="text-align: center;">Impact</p>	HSCRO0a1 Restrictions on Public Sector Funding	20	20
				HSCRO0c2 Increased Bureaucracy	20	16