LOCAL AUTHORITY
ANNUAL REPORTS
IN SCOTLAND

An analysis of Annual Reports produced by Scottish local authorities for the financial year 1982-83 in accordance with the "Publication of Financial and Other Information by Local Authorities - Code of Practice for Scotland" (HMSO £1.65)

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A list of members of the Scottish Consumer Council is at the back of the report.
PREFACE

The Scottish Consumer Council has worked hard over the years to represent the interests of the consumers of local government.

The problems of council tenants, parents of school children and bus travellers have all been investigated and researched by the Council at different times. We are proud of the part that we have played in moving the debate on local authority services so that the needs of the users or clients of such services become the focus -- as was the case in the so called "tenants' charter" and the "parents' charter".

At times it may seem that only lip-service is paid to consumer needs. However, in recent years gains of real substance have been achieved concerning council services in Scotland.

Most recently, we were successful in our quest for better information for the consumer and ratepayer when the Rating and Valuation (Amendment) Scotland Act 1984 was passed including a backbencher's amendment which gives people in Scotland the right to inspect the actual invoices, bills and account books of local government expenditure.

The Scottish Consumer Council recommended such a provision in its report "Rare Access", published in 1982, which looked at problems of access to official information, and identified this as a major area where Scottish ratepayers were disadvantaged vis-a-vis their counterparts in England and Wales. We congratulate Michael Forsyth, the MP for Stirling who proposed this amendment, the Members on all sides of the House of Commons who supported it, and the Scottish Office Ministers for accepting it. From 1 April next year, this new right will be able to be exercised by the people of Scotland.

The SCC was impressed in its researches by the general availability of local authority financial information south of the border. In particular, English and Welsh authorities provided annual reports not only of financial information but a proper explanation for the lay reader of what the figures meant. Though the standards of these reports varied considerably, they were of much greater value to the consumer than the dull, uninformative, unhelpful Abstracts of Accounts published by Scottish local authorities.

This Scottish Consumer Council report looks at the first set of annual reports published in Scotland. As will become clear to the reader, the SCC has several reasons for expressing disappointment.
First, there is no evidence to suggest that consumers and ratepayers or their organisations were consulted when the "code of practice" for these new annual reports was prepared by the Scottish Office and the Convention of Scottish Local Authorities.

Secondly, the Scottish code falls short of the code for England and Wales, in that less information is required to be provided. Obligations apart there was nothing to preclude any Scottish Local Authority being as forthcoming as the broad sweep of English authorities: regrettably none chose so to do.

Thirdly, the Scottish annual reports for financial year 1982-83 which are analysed here are those which were published before the end of the following financial year, namely by 31 March 1984. Twenty-two Scottish local authorities at the time of writing have still not produced an annual report.

Fourthly, the reports analysed in this study fall short of the requirements of the code on many points, and, as suggested, few go beyond the code in any significant respect.

Yet not all is gloom and despondency. Some authorities have tried hard and have produced reports worthy of imitation by these less venturous associates. By no means all of the "good" reports are glossy or expensive.

We hope that the many comments and criticisms in part II of this study will be helpful to the local authority officials whose task it is to produce the next round of annual reports. We trust that the Council's comments in part III will encourage local authorities to expand the contents of their reports, to trust the consumer with more and better information or indeed to emulate their English counterparts.

We recognise that annual reports are neither the only nor necessarily the best way of informing consumers about local authority spending on services. Information in annual reports - clearly presented and explained - should be seen as the first step in an expanding dialogue between local authority and consumer.

Professor Thomas F. Carbery,  
Vice-Chairman,  
Scottish Consumer Council.  

SUMMARY OF MAIN POINTS

Points from the report

Half the population of Scotland have no access to an annual report from their Local Authority within the current year.

Presentation of the reports is disappointing, most are unattractive and difficult to read because of awkward layout of tables, small type and poor reproduction. The language is too technical and they are often too long without sufficient narrative.

The content is often unsatisfactory with details of budgets and revenue expenditure given in a disjointed way, with very few reasons provided for variations in expenditure. Comparisons between capital expenditure programmes and actual performance are few. The range of services provided by many councils is not covered sufficiently, nor figures of who and how many people actually use the services. There is very little attempt to encourage comparisons between the performance of one authority against another.

SCC Recommendations

Annual reports should be produced within 6 months of the end of the financial year.

They should be easy to read and understand, if possible using colour and illustrations and there should be a complete explanation of the figures quoted throughout the report. Glossaries of technical terms are better replaced by the use of plain language.

All local authorities should adopt the Scottish Code of Practice as a minimum standard and aspire to the more comprehensive English Code. Special attention should be paid to giving reasons for variations in spending and more figures should be supplied on ways of measuring performance. Annual Reports should not contain warnings about inter-authority comparisons.
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I. INTRODUCTION

1. Value for money in local government

Local authorities provide many services which are essential to the well-being of residents in their areas. These services are paid for partly from locally collected finance, namely rates paid by householders and local businesses and direct charges for certain services, and partly from central government funds, which come from general taxation. This money comes in either case from the people of this country. Individuals have therefore a legitimate interest in the business of their local authorities both as consumers of their services and as providers of their finance. Although views may vary on the level of services provided by local government or on their costs, consumers are likely to want to get value for their money (however defined).

In recent years, and in the generally prevailing climate of government cuts, concepts of 'value for money' in local government have been widely debated in professional circles. In Scotland at least, however, little effort seems to have been made to involve the general public in the discussion, or to seek definitions which reflect the point of view of the consumer.

'Value for money', as it is generally defined in terms of resource management, may indeed appear a difficult topic for the lay person to approach. Even the basic organisation of local government is frequently ill understood, local government finance is complicated, and the issue of service provision is by contrast highly emotive. Too often, individuals or community groups may seem to officials and councillors simply to demand more and more services for their particular interest or constituency, apparently without regard to the limits on resources or the competing needs of other interest groups.

It is difficult for consumers to take part in a positive and rational discussion with the representatives of their local authorities if they do not have a grasp of how money is spent at present and how much flexibility local authorities have in changing this pattern of spending.

Yet the truth is that it has been very difficult for lay people in Scotland to build up reasoned alternative proposals on spending by their authorities, or to put a convincing case against existing expenditure because they simply have not had access to the right kinds of basic financial information.

2. Access to background financial papers

In England and Wales, under section 17 (1) of the Local Government Finance Act 1982 (which repeats previous legislation) ratepayers have a right of access to the full accounts of their local authority and to all supporting books, deeds, contracts, bills, vouchers, and receipts. There has been no equivalent right of
access in Scotland, where the only right was to inspect an Abstract of Accounts, under section 101(1) of the Local Government (Scotland) Act 1973. This meant, for example, that a ratepayer in Birmingham could as of right examine all the invoices and receipts connected with, say, the building of new local authority offices, but that a ratepayer in Glasgow could not.

Pressure for change in this area was exerted over several years both by the Scottish Consumer Council and by ratepayers' pressure groups like Strathclyde Watchdog on Rates, and the case was eventually supported by the Controller of Audit for Scotland. In the Eighth Report of the Commission for Local Authority Accounts in Scotland, September 1983, he stated that, 'On balance, from an audit point of view, there is much to be said for extending the right of public inspection to books of account and supporting vouchers, as this would assist interested persons to formulate their objections and thus augment the audit process.'

The eventual result of all this concerted pressure has been the insertion by the government in the Rating and Valuation (Amendment) (Scotland) Bill recently before Parliament of a clause giving Scottish ratepayers the same rights of inspection in this respect as are enjoyed in England and Wales. This Bill has now been enacted and Section 10 will now come into force on 1 April 1985.

Opposition to this legislation was raised, however, by the Convention of Scottish Local Authorities (COSLA), who insisted that the cost of providing this information to the public would be prohibitive. They did not appear to accept that economies might arise from the change or that authorities have managed to provide this right of access for many years south of the border.

3. Abstract of Accounts

Despite the absence of a duty to provide access to background papers, local authorities in Scotland have for some years been under an obligation to publish Abstracts of their accounts in terms of section 101 (1) of the Local Government (Scotland) Act 1973. However, these Abstracts have never set out to provide information in a form the average lay person would find easy to understand, or in a style likely to attract his attention. Their dry-as-dust columns of figures were generally unrelieved by any attempt to explain or compare, or by anything that might help the local resident relate the account to his own experience in the community.

Moreover, the figures recorded in the Abstracts were too general to allow judgements on particular projects, and because the Abstracts had to be based on audited accounts, they were notoriously late in appearing - usually long after the general public could be assumed to have lost interest in the events of the financial year in question.
4. Annual Reports

The weaknesses of the old-style Abstracts of Accounts and the need for a more interpretative document was recognised by the Local Government Planning and Land Act 1980, Part II of which provided a power for central government to issue codes of practice for the publication by local authorities of Annual Reports.

The English and Welsh code of practice, entitled 'Local Authority Annual Reports' appeared in 1981 and was followed the next year by the 'Publication of Financial and Other Information by Local Authorities-Code of Practice for Scotland.'

The terms of the Scottish code had been negotiated by the Scottish Office with COSLA but, as the Scottish Consumer Council pointed out at the time, without consultation with consumer bodies. The interests of consumers were therefore not represented in the construction of the code.

Its terms were in the event considerably weaker than those of the earlier English code, which was developed in collaboration with the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executive, and was approved by the Consultative Council on Local Government Finance. In particular, the judgement of performance and the making of inter-authority comparisons were not included as aims of the Scottish Annual Reports, (though the Code did mention the expansion of Rating Review to cover inter-authority comparisons). By way of contrast these were seen as central to the purpose of Reports in England and Wales. No clear reason was offered for this dilution of the English model. However, it appears to reflect a distinctly weaker commitment in Scotland to the principle of providing increased financial information to ratepayers and indeed to local government accountability.

Lack of enthusiasm may even be the reason for the choice of the obscure title of the Scottish code, which seems almost designed to disguise its content and discourage interest.

The contents of the code remain in any case no more than recommendations, which authorities are not legally obliged to follow. They were, however, 'invited' by the Scottish Office in a Finance Circular of August 1982 to adopt the code's recommendations in the preparation of their Reports for the year 1982-83. These are the Reports considered by this study.

In September 1982, almost immediately after the issue of the Finance Circular, the Scottish Consumer Council wrote to local authorities throughout Scotland welcoming the publication of a Scottish code, but urging authorities to adopt its limited terms only as a minimum standard, and to set their sights eventually on the more extensive recommendations of the English and Welsh code.

Few authorities replied. Several stated their intention to abide, at least in the first instance, by the more limited Scottish code. These were: Fife, Lothian and Grampian Regions; Shetlands
Islands; and Strathkelvin, East Kilbride, West Lothian, and Gordon and Inverness District Councils.

No authority was at that time prepared to commit itself to exceeding the standard set by the Scottish code, although one, Fife, thought that 'there is no reason why the minimum standards set down in the code should not be exceeded where this is appropriate. It might well be that Local Authorities will begin with a report very much based on the Code of Practice but seek to develop certain areas for further consideration in future years.'

Another authority, Kilmarnock and Loudoun, adopted a still more oblique approach. 'I advise you that, when the District Council came (sic) to prepare the annual report, it would be making this as full as necessary in the interests of the Council, the Building and Works Service, and the public'.

As will be seen, the 1982-83 Annual Report for Kilmarnock and Loudoun, like those for many other authorities, had not been published at the time of writing this report. It is therefore not possible to judge how full the Council eventually thought it should be. What is clear, is that they have not placed speed of production high on their list of priorities.

It is, of course, too early to know whether local authorities intend to expand their Annual Reports in more ambitious ways as time goes on. Indeed, some will argue that the Reports now appearing (those for 1982-83) represent a 'transitional' period, and that it is too early to judge anything. We disagree. Although these Reports are the first to appear under the terms of the Scottish code, authorities have nevertheless had some considerable time since its publication to decide how to meet its requirements. They have known for longer still that requirements of this sort would have to be met, and might (on the basis of the earlier English code) have expected them to be more extensive. If they have failed to meet the terms of the code, we believe it to be for reasons other than lack of time.

The main aim of this report, therefore, is to assess the extent to which authorities in Scotland have succeeded or failed in meeting the terms of the Scottish code in their Annual Reports for 1982-83, and the extent to which, if they have met those terms, their reports might have been more useful to the consumer under the more extensive terms of the English code.
II. INTEGRATION OF THE ANNUAL REPORT AND THE ABSTRACT OF ACCOUNTS

1. Dates of Publication of Annual Reports

In October 1983, the Scottish Consumer Council wrote to all local authorities in Scotland asking for copies of their Annual Reports, if and when published. By the end of November (eight months after the end of the financial year) only 13 of the possible 65 had been received. By the end of March 1984, the end of the following financial year, just over half of all authorities had provided copies of Reports (despite several reminders). A further 18 had replied that they were in process of preparing a Report. The rest had not replied, and it seems possible that some or all of these had decided not to prepare an Annual report at all for 1982-83, but to wait until 1983-84, or later. Authorities from whom no response at all was received were: Borders Regional Council; Western Isles and Orkney Islands Councils; East Lothian, North East Fife, Inverness, Ross and Cromarty, Bearsden and Milngavie, Caithness, Nairn and Badenoch and Strathspey District Councils. Both North-East Fife and Inverness had in 1982 expressed their intention to provide such a report.

We conclude that nearly half of all Scottish local authorities took more than a year to produce an Annual Report for 1982-83, if indeed they intended to produce one at all. Authorities who took this long, although they said they were preparing one, include Highlands Regional Council; and a whole range of Districts, from Glasgow, Renfrew and Motherwell (respectively the first, fourth and sixth biggest in terms of population size), down to Lochaber and Tweeddale. Appendix A on page 36 gives details of the authorities who had not produced an annual report by the end of the following financial year.

The number of Scots deprived of access within the year to any Annual Report from their district authority was 2,328,600; and a further 367,800 had no such annual report from their regional or islands council.*

This amounts to about half the population of Scotland and is in itself a dramatic illustration of the low priority and lack of commitment given by Scottish local government to the task of providing financial information to the public.

* Of course, this is not to say that these authorities may not have produced a formal Abstract of Accounts. The figures in this section refer only to the publication of Annual Reports within the broad terms of the code of guidance. Authorities were asked to send Annual Reports in those terms, and where there was any doubt (as for instance the submission of an 'Abstract of Accounts) the authority was asked whether the document constituted its Annual Report in those terms. It was therefore left to the authority itself to judge its own intentions.
The old-style Abstracts of Accounts published by authorities were notoriously late in appearing, due at least in part to the fact that they had to be based on the audited accounts. Any delay in the completion of the audit meant, therefore, a still longer delay in the publication of the Abstract.

One potential advantage of the new-style Annual Report over the Abstract of Accounts was that it need not await the formal audit, but could be prepared quickly at the close of the financial year when it was of keenest interest to local residents.

The English code of practice explicitly encourages swift publication of the Annual Report, seeing this as more important than the inclusion of audited accounts: 'The Annual Report for the financial year should be published as soon as possible after the accounts are closed, and preferably by the end of September. It will not necessarily be the case that accounts will have been audited by the time the report is prepared...' (para.1.7).

By contrast, the Scottish code adopts a diametrically opposed attitude, deliberately suggesting the integration of the Annual Report with the Abstract of Accounts, at the expense of speedy publication: 'The long term objective...should be to produce a combined Annual Report and audited Financial Statement.' (para.3.2). It says nothing whatever about the timing of publication, but of course this cannot be quick if the audit has to be completed first.

Of the Annual Reports for 1982-83 received by us within the following financial year, only five seem definitely to have been published prior to audit, and these five were amongst the first to appear. Another seventeen Reports make it clear that they are based on the audited accounts, and indeed most of these contain a copy of the auditor's certificate. It is unclear whether the remainder of the Reports are based on audited accounts. It is again a weakness of the Scottish code that it makes no recommendation on this particular point, even though the English code clearly states that 'The Report should indicate whether the accounts on which it is based had been audited at the time of publication'.

It would in any case appear that Scottish local authorities have tended to follow the recommendation of the code in this respect, and have tried from the first to integrate the Annual Report and Abstract of Accounts, even at the expense of timely publication.

This is against the interests of consumers, who will generally feel little interest in a report appearing so long after the end of the period to which it refers and to which its information was relevant. Lack of consumer interest may well, in itself, create a vicious circle, in which officials and councillors are able to justify giving the provision of financial information a lower and lower priority on the grounds that the public itself regards it as unimportant.
2. Presentation of Information

If the Scottish Code adopts a diametrically opposed view to that of the English Code on the question of the inclusion of audited accounts in the Annual Report, this is in fact only part of a larger difference of opinion about the relationship between Abstracts of Accounts and Annual Reports, and indeed about the purpose of the Annual Report itself.

The English Code of Practice laid great stress on the need to provide information in a form likely to be readily understood by local residents. This seems to be part of the general attitude of the English Code, that the Reports' readers (i.e. local residents) are to be seen as active participants in the process of management in the local authority, who might need to have, for example, 'Details of how interested parties may follow up matters arising from the Annual Report, with a timetable showing key dates in the financial and management planning process' (para.2.8). No such suggestion of active participation is to be found in the Scottish Code. Of course the sort of information on dates that the English Code proposed would be useless in a document not likely to appear until late in the next financial year.

The need for clear and comprehensible information for the lay person is interpreted by the English Code as meaning that Annual Reports might be 'relatively brief', 'depending on local authorities' judgement of the audience's information requirements'. The English Code acknowledges that some authorities may think it appropriate to produce a more comprehensive document including, for example, the Abstract of Accounts or extracts from it, but recommends that in this case 'authorities should pay particular attention to the question of public understanding and access' (para.1.8). It is obviously envisaged that in general the Abstract of Accounts and Annual Report should be seen as two distinct documents, serving separate purposes.

By contrast, the Scottish Code explicitly recommends the integration of the two documents: 'It will be for each authority to decide in the initial stages whether this (i.e. the preparation of the Annual Report) should be done by enhancing the abstract of accounts which must be published or whether a separate document should be prepared. The long term objective however, should be to produce a combined Annual Report and audited Financial Statement. The financial statement would then be the abstract of accounts as required by statute.' (paras. 3.1 - 3.2).

The Scottish Code ignores the question of public understanding, or, on the other side of the coin, the form and the clarity of the information provided in the Annual Report, which is emphasised in England.

Since the Reports for 1982-83, the first year of operation of the Code, are obviously the product of the 'initial stages' of the scheme, it is of particular interest to note the extent to which
Scottish authorities have decided simply to 'enhance the abstract of accounts', and the consequences this has had for the form and clarity of the resulting reports.

(i) **Titles of Reports**

One consequence seems to be the choice of a very wide variety of titles. The 33 reports for 1982-83 that appeared during the next financial year bore between them no less than 16 different titles. These were in order of preference:–

Annual Report and Financial Statement (9)  
Financial Report and Accounts (5)  
Abstract of Accounts (3)  
Annual Report and Accounts (3)  
Financial Statement (2)  
Annual Report and Abstract of Accounts (1)  
Annual Report and Summary of Financial Accounts (1)  
Annual Report (1)  
Annual Financial Report (1)  
Abstract of Accounts and Financial Report (1)  
Abstract of Accounts and Annual Report (1)  
Abstract of Accounts and Supporting Information (1)  
Financial Report and Abstract of Accounts (1)  
Financial Statement and Abstract of Accounts (1)  
Financial and Statistical Report (1)  
Summary of Accounts and Statistics (1)

Only about half of the reports, therefore, had anywhere in their titles the words 'Annual Report', and only one bore those words alone.

This point may seem of negligible importance to individual authorities compiling reports. To consumers, however, the lack of clearly recognisable titles may easily mean the difference between getting and not getting copies of reports.

This point is illustrated by our own experience in requesting copies of reports from authorities for this study. A number of authorities responded to our original written request for a copy of their 'Annual Report or Financial Statement' by sending documents which did not clearly identify themselves as intended to be that authority's annual report in terms of the Code of Practice. (That is, the title did not contain the words 'Annual Report' and the text made no mention of that term or of the Code itself.) In these cases, several authorities admitted on further enquiry that the documents were not intended an annual reports in terms of the Code. Yet, those same authorities had initially sent the documents as if they were their annual reports. This seems to be evidence of a certain confusion within authorities themselves as to the status of the financial documents they publish to consumers.

Similarly, telephone calls were made by us to certain authorities to put simple queries like 'Has the authority yet published its
annual reports for 1982-83', or 'Does document X constitute the annual report'. In a number of instances, this sort of enquiry was met by blank puzzlement on the part of junior officials, and immediately referred upwards to the Director of Finance himself. It is apparent, therefore, that knowledge of the existence of annual reports is as yet not generally widespread amongst the more junior officials of local authorities. This is probably compounded by the use of titles other than 'Annual Report'.

In these circumstances, it seems likely that ordinary members of the public phoning or calling at their local town hall will on many occasions fail to obtain their annual reports. This may be still more the case if, having obtained their own authority's report, they then ask for those of comparable authorities under the same title.

We conclude that there is a danger that the variety of titles used for these documents will give rise to confusion and so act as an impediment to public access to them. Members of the public asking for the 'annual report' may very well be given (as we were) a purely statistical document such as the abstract of accounts, with no mention of the fact that another explanatory document more suited to their needs is available or is soon to be published.

Training is clearly needed for the junior officials dealing with the authorities' publications and with the general public, but so is the general adoption by local authorities of a uniform title for these documents.

(ii) Format and design

As we have shown, nine of the reports under consideration include the words 'Abstract of Accounts' in their titles. Many more, however, are quite closely modelled on the old-style Abstracts, with their close columns of figures and lack of narrative explanation.

Page Size

Almost all have preserved the traditional A4 format of the Abstracts, only seven authorities diverging from this. Of these, five chose to fold and staple their A4 paper into a handier and

*For it is an odd fact that some authorities, because of the lack of guidance on dates of publication in the Scottish Code, have opted to publish first an audited abstract of accounts, and only later a more explanatory of populist document intended for the mass of ratepayers. An example of this is Glasgow which, although it managed to publish its abstract of accounts within the following financial year, did not bring out its explanatory Bulletin until May 1984.
less "official" looking A5 booklet; one, Kirkcaldy "took the view that members of the public were more likely to need a simply produced document rather than some wordy tome", and contented itself with a very brief leaflet consisting of a single A4 sheet folded in three; and one Stirling issued a tabloid-style newsheet in place of a conventional report.

Of the reports in A4 format, five use the paper horizontally rather than vertically. This allows more room for tables to be spread, but has the disadvantage for the consumer of encouraging a very long line in narrative sections, which is difficult to read. This could have been overcome by using 2 columns of print to the page in those sections, but nobody did this.

**Length**
Most of the documents are not only large in format, but also fairly bulky. The majority contain between 25 and 60 sides of type, and some even more than that. Inverclyde is the bulkiest with 97 pages of text.

Most reports are printed on both sides of the page but some use one side of paper only, and a few contain a number of blank or nearly blank sheets (notably that of Cumbernauld and Kilsyth, with twenty sides of paper that are blank or carry only a heading, and only twentyfive sides of substantive material). In some cases this seems of doubtful value to the reader, and must have increased the cost of production appreciably.

Reports also vary, of course, in the amount of space left blank in margins etc, in type size, in the number and size of diagrams and other graphics or photographs, etc. etc. Exact comparisons on size are therefore difficult to make. Size and density appear, however, to be very much a matter of individual choice on the part of the authority and seem not to be particularly closely related to the authority's characteristics.

**Production method**
Larger urban district authorities, like Edinburgh and Dundee, and all of the regions have used off-set litho to print their reports on good quality glossy paper, using colour for emphasis and illustration. Fewer of the smaller or more rural districts have done this, most preferring to photocopy their reports. There are exceptions, however; both Moray and Perth and Kinross have had their reports printed.

The choice of reproduction method probably depends largely for each authority on the facilities available in-house, and on the number of copies originally thought to be needed. Photocopying has, no doubt, the advantage that a comparatively short initial print-run can easily be supplemented later as demand dictates. It seems to have few opposing disadvantages for the reader, provided always that the quality of reproduction is good and that a clear typeface of sufficiently large size is used for the original.
Unfortunately, this is not always the case. Sutherland's report, for example, combines a light type-face of reduced size with (at least in our copy) very patchy and faint copying to produce pages of eye-straining near illegibility. This is a great pity in a report which otherwise had several good features.

Other reports shared Sutherland's weakness for reduced-size type which, however good the reproduction, will be for many people difficult if not impossible to read, and for everyone less easily legible than a normal size would have been. Some, like Kincardine and Deeside, combined reduced size with italics (in places). In a few places this is used in an attempt to differentiate between, for example, budgeted and actual figures, but on most pages there is no such rationale for its use, and it merely makes the text for figures yet more difficult to read.

By contrast, a report like Nithsdale's for instance, uses a strong typeface of simple design and good size, and would be equally legible whether printed or photocopied.

Leaving aside whatever economic considerations may apply, therefore, print seems to have only one definite advantage over photocopy: the possibility of additional colour.

Most of the larger authorities using print seized upon this fact with enthusiasm, and employed colour successfully throughout their reports to frame pages, emphasise text, differentiate figures, and clarify diagrams. Some also used it for full-colour photographs. Strathclyde was particularly lavish in this respect, using colour photographs on nearly every other page to illustrate the work of the particular department described. In other reports, their use was confined to a single centre-fold (Lothian), or to an introductory portrait of a convenor (Fife).

This sort of use was clearly beyond the grasp of the smaller district authorities, but a few of them did manage to exploit the possibilities of colour in a less expensive way. Angus, Falkirk and Moray (all A5 reports) all used coloured stipple on a couple of pages to clarify and enliven diagrams. Stewartry, by contrast, turned not to coloured ink but to different colours of paper to distinguish the different sections of its report. No other authority did this, but it is a method that probably could be used by other authorities at little extra expense and to good effect, both to mark the different sections of their reports and also to make them generally more attractive.
WASTE COLLECTION & DISPOSAL
GENERAL INFORMATION

This heading covers the Collection & Disposal of household and commercial refuse, bulky refuse under the Civic Amenities Act and Street Sweeping.

During 1982/83 due to the non-acceptance of a proposed new bonus scheme the Council introduced a once weekly collection for household refuse with a twice weekly collection for commercial and industrial properties. The collection is undertaken by six squads, three on the East Coast and three servicing the North and West Coasts. Emptying of litter bins on the trunk road is carried out on an agency basis for Highland Regional Council. Ten waste disposal sites have to be provided and maintained to deal with ordinary and bulky refuse collections. Two specialised vehicles are used for the skips used in the uplifting of bulky refuse.

Fulverisation of refuse on the East Coast is carried out at the plant in Dornoch with the treated material being put in storage bunkers at the plant before transfer to the disposal tip at Crofthaugh. A back-up site is located at Crofthaugh primarily for bulky refuse. Maintenance of the disposal sites throughout the District is undertaken by the Council Staff by means of crawler tractors.

BUDGET PERFORMANCE

A saving of almost £42,000 has been made in 1981/82. In staff costs the saving of £9,550 is mainly due to the rejection by employees of a proposed new bonus scheme incorporated in budget figures. Savings of about £5,000 on property costs is attributed to repairs on Civic Amenity tips and the pulveriser plant being less costly than allowed for.

Transport saving of £9,000 was due to a large extent to the change in the law regarding licensing of refuse vehicles which reduced this cost considerably. The large saving of £16,600 in loan charges arises about because of a lower level of capital expenditure than anticipated in 1982/83.

Two replacement vehicles bought during the year were financed directly out of the Council's Repairs & Renewals Fund thus saving ongoing loan charges on the Rating Account.

INCOME

This showed an increase on budget figure because of extra income from agency work for the Highland Regional Council and increased revenue from special collections.


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<td>Annual Report by City Chamberlain</td>
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<tr>
<td>Actual Net Expenditure</td>
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<td>Main Accounting Principles</td>
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<td>General Information</td>
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</tr>
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<td>Capital Account</td>
<td>9</td>
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<tr>
<td>Summary of Revenue Expenditure</td>
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<tr>
<td><strong>COMMITTEES</strong></td>
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<tr>
<td>Art Gallery and Museums</td>
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<td>Cowdray Hall and War Memorial Court</td>
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<td>Libraries</td>
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<tr>
<td>Leisure and Recreation</td>
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<tr>
<td>Community Facilities</td>
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<td>Cleansing</td>
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<td>Industrial Development</td>
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<td>Property and Development</td>
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<td>Miscellaneous Services</td>
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<tr>
<td>Housing</td>
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<td>Central Administrative Services</td>
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<td>Building and Works</td>
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<td>Common Good</td>
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<td>City Improvements Fund</td>
<td>38</td>
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<tr>
<td>Funds held in Trust</td>
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</tr>
<tr>
<td>Loans Fund</td>
<td>40</td>
</tr>
<tr>
<td>Consolidated Balance Sheet</td>
<td>41</td>
</tr>
<tr>
<td>Audit Certificate</td>
<td>42</td>
</tr>
</tbody>
</table>

Table of Contents from Aberdeen's report, showing a strong typeface of simple design and good size.
### Subjective Analysis of Expenditure & Income on Actual Out-Turn for 1982/83

**Including Allocation of Central Admin. & Other Depts. Where Indicated**

<table>
<thead>
<tr>
<th>Department</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Central Administration - Law &amp; Admin/Finance Council Offices</strong></td>
<td></td>
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<tr>
<td>Staff Costs</td>
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</tr>
<tr>
<td>Property</td>
<td>66</td>
</tr>
<tr>
<td>Supplies &amp; Services</td>
<td>42</td>
</tr>
<tr>
<td>Loan Charges</td>
<td>7</td>
</tr>
<tr>
<td>Less Income - Charges</td>
<td>69</td>
</tr>
<tr>
<td>Other Council Services</td>
<td>320</td>
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<tr>
<td><strong>1000's</strong></td>
<td>395</td>
</tr>
<tr>
<td><strong>Law &amp; Admin. (incl. Chief Executive)</strong></td>
<td>11 10 1</td>
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<tr>
<td><strong>Finance (incl. Area Offices)</strong></td>
<td>16 5 16 5</td>
</tr>
<tr>
<td><strong>Council Offices (cleaning &amp; caretaking)</strong></td>
<td>1 12 1 12</td>
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<tr>
<td><strong>Environmental Health - Administration</strong></td>
<td></td>
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<tr>
<td>Staff Costs</td>
<td>245</td>
</tr>
<tr>
<td>Property</td>
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<tr>
<td>Supplies &amp; Services</td>
<td>12</td>
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<tr>
<td>Loan Charges</td>
<td>2</td>
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<tr>
<td>Less Income - Fees</td>
<td>78</td>
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<tr>
<td>Other Council Services</td>
<td>62</td>
</tr>
<tr>
<td><strong>143</strong></td>
<td></td>
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<tr>
<td><strong>Net Expenditure to Rating Summary</strong></td>
<td>134</td>
</tr>
<tr>
<td><strong>Admin. &amp; Technical staff</strong></td>
<td>22 21</td>
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<tr>
<td><strong>Environmental Health - Street Sweeping</strong></td>
<td></td>
</tr>
<tr>
<td>Staff Costs</td>
<td>56</td>
</tr>
<tr>
<td>Property</td>
<td>1</td>
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<tr>
<td>Uphaul of vehicles</td>
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<td>Loan Charges</td>
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<tr>
<td>Contribution to Plant a/c</td>
<td>30</td>
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<tr>
<td>Less Income - Charges</td>
<td>52</td>
</tr>
<tr>
<td><strong>Net Expenditure to Rating Summary</strong></td>
<td>51</td>
</tr>
<tr>
<td><strong>Manual Workers</strong></td>
<td>6 1 6 1</td>
</tr>
</tbody>
</table>
Illustrative Material
Lack of sophisticated reproduction facilities need not have prevented authorities from using back and white diagrams, graphs, drawings or even photographs. It is perhaps rather surprising that as many as 14 of the reports use none of these methods to clarify, explain or illustrate the information they wished to convey. Moreover, these were by no means all very small or remote authorities: Monklands and East Kilbride were among them.

However, over half of the reports did augment their figures and narrative with diagrams, almost a third used other graphics, and a handful ventured to include black and white photographs.

The most usual types of diagrams were pie or blocks illustrating things like income and expenditure, and these were the only illustrative material contained in many of the reports. These were successfully used in some cases without the aid of colour, showing that this is something that all authorities could attempt at little or no extra cost.

More inventive diagrams were introduced by a few authorities. Inverclyde, for instance, offered a chart of average domestic rates from 1971 and 1982, as measured against the frontage of a Victorian building (presumably the town hall). Dundee invites us to consider a (coloured) £1 note, dissected to show "How each £1 was spent" and "Where each £1 came from". This sort of thing can undoubtedly enliven reports, even if its informational value is perhaps limited.

Graphics other than diagrams were apparently introduced on the whole for design effect or simply to illustrate locality, rather than to convey any precise information.

This sort of material consists typically of a sketch or artist's impression of some local architectural landmark. Several of the smaller districts used these, and one assumes that they intended them purely decoratively, or perhaps to identify the content of the report more clearly with their particular place and community. One imagines that the materials would have been already to hand, not commissioned specially for the publications, and that the cost of inclusion was therefore minimal.

In some of the regional reports, however, graphics appeared to have been commissioned specifically for the publication. Two of the regional reports, Fife and Tayside used graphics systematically in the form of symbols heading up sections on the work of the different departments. Strathclyde, as previously noted, adopted a similar device, but used small colour photographs in place of Fife and Tayside's single-colour symbols. Tayside supplements the symbolic heading on the top right of each of its departmental double-page spreads with an outline pie diagram at top left, apparently intended to show the proportion of its resources devoted to that activity.
SUBJECTIVE ANALYSIS OF 1982/83 REVENUE ACCOUNTS

Type of Expenditure:

- Supplies and Services: 4.5%
- Salaries and Wages: 29.8%
- Loan and Leasing Charges: 36.9%
- Housing Benefits: 10.5%
- Property Costs: 11.6%
- Other Expenditure: 1.5%
- Transport: 1.8%
- Contribution to Balances and D.L.O. surplus: 1.4%
- Administration Expenses: 2.0%

Sources of Income:

- Housing Rents: 43.3%
- District Rate: 16.5%
- Rate Support Grant: 16.2%
- Government grants and subsidies: 12.9%
- Other income including fees and charges: 11.1%
AVERAGE ANNUAL RATES CHARGED ON AN AVERAGE DOMESTIC PROPERTY IN INVERclyde
How Each £1 Was Spent

- 2.77 Environmental Health
- 12.01 Cultural Services
- 17.05 Recreational Services
- 0.91 Technical Services
- 0.58 Commercial Department
- 5.06 Town Planning
- 21.25 Cleansing
- 4.57 Other Services
- 29.44 Housing
- 6.36 General Fund

100.00 p total

Where Each £1 Came From

- 73.49 Rate Payers
- 21.86 Tax Payers
- 2.78 Interest on Balances
- 1.87 Direct Labour Organisations

100.00 p total
### SOCIAL WORK

<table>
<thead>
<tr>
<th>1981/82 Actual £'000</th>
<th>1982/83 Budget £'000</th>
<th>1982/83 Actual £'000</th>
<th>%</th>
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<td>1,976</td>
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<td>767</td>
<td>886</td>
<td>814</td>
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<td>145</td>
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<td>4,098</td>
<td>4,502</td>
<td>4,516</td>
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<td>411</td>
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<td>1,128</td>
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<tr>
<td></td>
<td>2,669</td>
<td>2,948</td>
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<td>NET EXPENDITURE</td>
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<td></td>
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</tr>
<tr>
<td>19,473</td>
<td>21,922</td>
<td>21,293</td>
<td>88</td>
</tr>
</tbody>
</table>

| SERVICES PROVIDED     |                      |                      |   |
| Fieldwork             | 4,341                | 4,861                | 22|
| Domiciliary Facilities| 2,298                | 2,642                | 12|
| Day Care Facilities   | 1,825                | 2,181                | 9 |
| Residential Facilities:| 3,033               | 3,219                | 15|
| Children's Homes and Hostels | 2,712 | 3,156 | 4 |
| Homes for the Physically and Mentally Handicapped | 767 | 784 | 4 |
| Homes for the Elderly | 3,787                | 4,224                | 40|
| Sheltered Housing     | 674                  | 673                  | 4 |
| Departmental Administration | 1,089          | 1,285                | 6 |
| Finance Charges       | 1,128                | 1,356                | 6 |
| Other Services        | 586                  | 734                  | 2 |
| NET EXPENDITURE (As above) | 19,473               | 21,922               | 100 |
## SOCIAL WORK
### SOME FACTS AND FIGURES

### Manpower

<table>
<thead>
<tr>
<th>Category</th>
<th>In post at March</th>
<th>1982</th>
<th>1983</th>
<th>Variation</th>
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<td>Administration</td>
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<td>79</td>
<td>- 5</td>
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<tr>
<td></td>
<td>PT</td>
<td>4</td>
<td>3</td>
<td>- 1</td>
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<tr>
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<td></td>
<td>PT</td>
<td>35</td>
<td>40</td>
<td>+ 5</td>
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<td></td>
<td>PT</td>
<td>9</td>
<td>8</td>
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<td>97</td>
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<tr>
<td></td>
<td>PT</td>
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<td>24</td>
<td>+ 1</td>
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<tr>
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<td>5</td>
<td>8</td>
<td>+ 3</td>
</tr>
<tr>
<td></td>
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<td>1</td>
<td>2</td>
<td>+ 1</td>
</tr>
<tr>
<td>Volunteer Aid</td>
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<td>-</td>
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<td>+ 2</td>
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<td>8</td>
<td>+ 1</td>
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<tr>
<td></td>
<td>PT</td>
<td>3</td>
<td>8</td>
<td>+ 5</td>
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<td></td>
<td>PT</td>
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<tr>
<td></td>
<td>PT</td>
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<td>- 3</td>
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<tr>
<td></td>
<td>PT</td>
<td>21</td>
<td>18</td>
<td>- 3</td>
</tr>
<tr>
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<td>+ 7</td>
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<td>-</td>
<td>3</td>
<td>+ 3</td>
</tr>
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<td>135</td>
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<td>- 2</td>
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<td>55</td>
<td>- 1</td>
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<td></td>
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<td>+ 3</td>
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<td>1,549</td>
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<td>PT</td>
<td>1,373</td>
<td>1,408</td>
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### Service Profile

The majority of the Social Work Department’s staff are directly engaged in meeting the needs of the community by social worker support through 30 area offices and sub-offices and by utilising a wide range of domiciliary, daycare and residential services. A social work service is also provided in hospitals and in penal establishments. There is a wide and varied range of residential homes for persons of all ages and disabilities and such provision is made in collaboration with voluntary organisations.

Developments in 1982/83 included the opening of a new old people’s home – Janet Broughton House (48 places) replacing Craigie House (21 places). 3 new sheltered housing developments were also opened and 2 were extended. Burgess Street Day Nursery in Dundee was demolished and replaced by a new day nursery in Bruce Street.

In Brechin, a pilot scheme has been introduced providing a laundry service for elderly members of the community and the surrounding area.

The year has seen the development of two major proposals with national voluntary organisations, namely a comprehensive support scheme with Dr. Barnardo’s for families with mentally handicapped children and a family centre with the Aberlour Trust and the Education Department. Plans are also progressing towards the establishment of a children’s centre jointly with the Area Health Board and Education Department under the Multiple Deprivation development and the provision of a Family Counselling Centre again with the Area Health Board.

Of the net increase of 106 posts, the major changes occurred in (i) homes for the elderly where a new home was opened in Dundee and additional staff were required as a result of residents being decanted to another location during alterations and to cover temporarity for staff undergoing training and (ii) sheltered housing where 53 posts were transferred from Dundee District Council and the other 5 were for new developments. The entry for the first time of 10 additional staff for Day Care – Elderly is in respect of the new Wellgate Day Centre.

### Statistics

#### Regional Council Establishments

<table>
<thead>
<tr>
<th>Establishment</th>
<th>1982 Gross Weekly Cost/Place</th>
<th>Occupancy/Attendance Rate</th>
<th>1983 Gross Weekly Cost/Place</th>
<th>Occupancy/Attendance Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day Nurseries</td>
<td>£36.77</td>
<td>89%</td>
<td>£40.26</td>
<td>89%</td>
</tr>
<tr>
<td>Adult Training Centres</td>
<td>£29.53</td>
<td>84%</td>
<td>£30.66</td>
<td>83%</td>
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<tr>
<td>*Day Centre for Elderly</td>
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<td></td>
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<tr>
<td>Children’s Homes and Hostels</td>
<td>£137.14</td>
<td>83%</td>
<td>£145.11</td>
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<td>Home for Mentally Disordered</td>
<td>£89.28</td>
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<td>£105.56</td>
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<tr>
<td>Homes for Elderly</td>
<td>£103.51</td>
<td>93%</td>
<td>£107.42</td>
<td>94%</td>
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</tbody>
</table>

*Part year only

#### Voluntary etc Establishments

<table>
<thead>
<tr>
<th>Establishment</th>
<th>1982 Regional Placements</th>
<th>1983 Regional Placements</th>
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</thead>
<tbody>
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<td>Children’s Homes and Hostels</td>
<td>208</td>
<td>170</td>
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<tr>
<td>List D Schools</td>
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<td>58</td>
</tr>
<tr>
<td>Homes for Mentally Handicapped</td>
<td>25</td>
<td>20</td>
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<tr>
<td>Homes for Physically Handicapped</td>
<td>37</td>
<td>36</td>
</tr>
<tr>
<td>Homes for Elderly</td>
<td>364</td>
<td>373</td>
</tr>
</tbody>
</table>
The District Council Housing Department provides a comprehensive housing service where through one Department an individual can apply for housing or housing transfer, pay rent, report repairs or seek advice on most housing matters.

The Council own some 15,500 houses and 1,200 garages. During the course of the year 76 new houses were let and at the end of the year 70 houses were under construction. The Authority has also continued its modernisation programme with upgrading ranging from rewiring to extensive refurbishment being completed in some 450 houses.

Rent and rates amounting to £12.8M were collected by the Housing Department. Rents are collected in the main office, five sub-offices in Perth, eight Area Offices in the landlord area and, in addition, many tenants in the villages have the facility to pay rents at their local Post Office. Almost 700 tenants now pay rent by Standing Order with their bank and this convenient means of payment is increasing in popularity.

This year saw the introduction of Unified Housing Benefits which resulted in an additional 2,000 tenants having their rent rebated at source, bringing the total number of tenants receiving benefits to over 7,300.

The popularity of Council house purchase within the District is continuing at high level and during the course of the year 832 tenants applied to purchase their house, which represents an increase of over 50% on the previous year, and 569 sales were concluded. The Housing Department are very much involved in this function of the Authority's work with the processing of applications, interviewing of prospective purchasers, and inspection of houses to be sold being undertaken by the Department's staff.

Double page spread from Perth & Kinross's Report showing use of black and white photographs.
This sort of device undoubtedly helps to make the report more attractive and approachable, and there is no reason why other authorities could not adapt the idea to their own resources. Perth and Kinross have already shown the way, although their report is in a smaller A5 format and they use small black and white photograph (taken by a member of the Finance Department staff) in place of graphic symbols.

It is interesting in passing to note that, although few of the reports offer information of any sort about production methods, two (Dundee, Perth & Kinross) give credit for design and layout to the authority's museum staff, and one (just mentioned) for photographs to a member of the Finance Department. Others may well have drawn on these resources, and (for instance) on those of their Planning Departments. There seems no reason why all should not do so, in order to make their reports more attractive to the general public for whom they are intended.

Front Covers
Staff talents or, for example, those of local schoolchildren might also be deployed to improve the external appearance of reports. At present, these are almost without exception exceedingly unattractive. Typically, they consist of the name and crest of the council, the title of the report, and the date printed or copies onto plain matt card of a pastel shade. They look official, and they look dull.

The regions and larger districts have generally made rather more effort. They mostly use a glossy card. On this, Fife and Tayside have both re-used the graphic symbols discussed in the last section, arranged in a 'patchwork' effect. Strathclyde offers a multi-coloured map of Scotland with the region boldly shown in red (presumably for the benefit of strangers and newcomers), while Edinburgh, most ambitious of all, spreads a coloured aerial photographs of the city centre over front and back covers. West Lothian District has joined the cities and regions in their use of glossy card and colour printing (in its case, a watercolour landscape), and has produced a very attractive report. Aberdeen, however, in contrast to the other major authorities, has produced a totally austere, matt, black on white card cover, relieved only by the city's crest.

Finally, a few of the other districts have made successful attempts to produce a more attractive cover, at lower cost. Angus, for example, carries a line-drawing artist's impression on bright blue glossy card, while Falkirk has preferred a black and white photograph on yellow. Both of these are greatly helped by the use of clear, well-blocked type and a strong sense of design. They prove that it is possible to design at reasonably low cost, within the resources of a small authority, the sort of booklet that is immediately attractive to the lay person.
MONKLANDS DISTRICT COUNCIL

ANNUAL REPORT

and

FINANCIAL STATEMENT

for the period ended 31st March, 1983
1982-1983
ANNUAL REPORT &
FINANCIAL
STATEMENT
Financial Report and Accounts
for Year ended 31 March 1983
Cost and Price
Throughout this section, we have recognised that a number of factors may have affected the choices made by authorities as to the format and design of their reports. The size of the authority, the internal staff resources available, its funds, and the type and size of audience it envisaged for its annual report are all likely to be factors. However, we have shown that some small authorities have been able to use the same illustrative techniques as bigger authorities adapting them to suit the resources available. We believe that many more authorities could use these techniques to enhance their reports and make them more attractive to the ordinary member of the public.

However, we recognise that the format, design and production method used for a report may well influence the way in which it will be made available to the public. No formal research has been carried out by us to establish this correlation, and we can draw no definite conclusions. However, common-sense suggests that a report that is expensive to produce will be circulated less freely, or offered for sale at a higher price, than one that was cheap for the authority.

To this extent, we sympathise with those authorities who chose to issue a free leaflet or newsheet in place of a formal "wordy tome", as Kirkcaldy put it. It is important, though, that if brief, ephemeral sheets of this kind are to be offered they should nevertheless contain all the information recommended by the Code, and do so in a readable, readily understandable way. Since it would be difficult to do this within the scope of the leaflet as brief as Kirkcaldy's, we feel these should probably be seen more as give-away supplementaries to a formal annual report than as a replacement for it.

There is however, a middle way to be found, and we do not believe that the longest reports will necessarily be the best, or that offering more or more detailed information in the report is necessarily most helpful to the consumer. It will certainly not be so if it means that the circulation of the report is restricted or the price greatly increased.

Similar comments could be made as to the design and presentation of the report.

In the present crop of Annual Reports, relatively few authorities appear to be making a charge at all, and when they do, it is usually only for £2 or £3. In only one case were these figures greatly exceeded - West Lothian's separate Financial Report is £10 - and we feel that in this case the charge is excessive.

It is regrettable in view of this sort of charge that the Scottish Code of Practice places the question of charges for reports entirely at the discretion of the local authority, whereas the English Code at least specifies that such a charge must be 'reasonable'.
From the point of view of the consumer, a charge of £2 or £3 probably is fairly reasonable, but much more than that seems unduly onerous. This would, of course, be particularly so if residents wish to obtain copies of reports from other authorities as well as their own, in order to compare performance. In these cases, charges for several reports could quickly mount up, and the individuals concerned would probably not be helped by the recommendation of both Codes that copies of reports should be made available (presumably for consultation as well as sale) at council offices and libraries.

In this context, it is worth mentioning that the one authority Stirling that told us it had opted to publish a brief 'newspaper-style' document and admitted that consumers wanting the hard information recommended by the Code of Practice would need the 'Performance Reports' issued by the different departments of the council as a source of supplementary information. These reports are lodged at libraries and the authority's own offices, but are apparently not available by post. The effect of this is probably to deprive consumers in other areas of information they may wish to have for purposes of comparison with their own authorities. For this reason if no other we would not commend Stirling's approach.

(iii) Use of Narrative

A major difference between the old-style Abstract of Accounts and the new Annual Report was supposed to be in the use of narrative. The Abstracts of Accounts contained little if any written explanation of the accounts they presented, and it was left to the readers to wade through the columns of figures, spot any features worthy of note, and interpret them as best they could. The vast majority of people could, of course, not do this.

The Annual Reports were, therefore, to highlight particular features and to provide explanations in narrative which the lay person could easily understand. The English Code states that: "The objective of the Annual Report is, through the use of narrative, and financial and statistical data, to integrate the total management and financial reporting of the authority". (para 1.4, our emphasis). The Scottish Code omits this statement and appears not to view the role of the Annual Report so widely, but calls for a "A narrative statement incorporating a summary of gross and net revenue expenditure for each major service comparing the budget with the actual outturn of that year together with observations on the reasons for variations. This should highlight any items which the ratepayers may find of value is assessing the authority's financial performance for that accounting period", and also "A service analysis for the capital expenditure programme
comparing it with the actual performance achieved together with a narrative statement on any variations between these sets of information. (paras. 3.3(i) and (ii), our emphasis).*

Although, therefore, the Scottish Code appears to envisage less use of narrative than the English Code, it does nevertheless firmly recommend its use for the main summaries of capital and revenue accounts for each of the main services of the authority.

Some authorities appreciated the importance of this recommendation, and made great efforts to fulfil it. Perth and Kinross's well-designed little A5 booklet, for instance, begins with a statement by the Director of Finance, pointing out that "One of the principal requirements of the Code of Practice is to provide a narrative statement comparing budget with actual performance giving, where appropriate, reasons for variations." He goes on to do precisely this for each service in turn, for example: "The Planning Administration Account detailed on page 5 only varies from budget significantly in one area. Once more, Income from Planning Fees and Property Certificates has far outstripped the budget provision. This trend was apparent when the budget for 1983-84 was considered and a substantial increase in such income has been built into the current year's budget." Or "Page 17 provides a summary of the accounts of the various activities which come under the control of the Director of Leisure and Recreation. After taking account of the general factors commented upon in paragraph 3 (a), these services are more or less on target and no further comment is necessary." This is clear and concise, and very much to be commended. It has, however, the slight disadvantage that these narrative paragraphs on performance are being grouped together at the front of the report, physically separated from the statistics to which they refer, situated in service sections further on. The reader has to flip from one to the other.

A large number of authorities with otherwise good narrative sections made this mistake. From that point of view, the approach of some other authorities - particularly the Regions, and some authorities like Edinburgh who adopted a similar style and layout - may be preferable. They generally employ for each service a double-page spread containing blocks of tables and narrative, including a narrative section on 'performance' for each department.

All these authorities showed a clear awareness of the importance of narrative to the lay reader. It was therefore disappointing and rather surprising to find some other authorities had entirely, or almost entirely, disregarded this recommendation of the Code.

Four reports (Ettrick and Lauderdale, Clackmannan, Dumbarton, and Moray) fail entirely to address themselves to this recommendation.

*This section discusses only the recommendation for the use of narrative. For a discussion of content, turn to pp 21-34.
Explanatory Note 5 (Other Page)

Note No.

1. 1981/82 Actual and 1982/83 Budget included £120,796 and £75,000 respectively for replacing steel windows, the latter being capitalised and not therefore falling into the 1982/83 Actual column; the costs of 1982/83 external painting work were £55,000 under the budget allowance and £105,000 of the general maintenance provision was not required due to lower inflation, a milder winter and the reduced number of Council houses following sales.

2. When the 1982/83 Budget was being compiled in December 1981 interest rates were expected to rise to an average rate of 13% and the Capital Receipts from Council house sales were just beginning. Receipts from Council house sales have turned out much higher than expected and interest rates worked out at effectively 11.88%. The consequent saving in loan charges has partially been offset by an adjustment to the Housing Support Grant of £375,623 as a result of the lower interest rates.

3. In addition to the adjustment in Note 2 above, a reduction of £200,000 has been made to the Grant received in respect of 1979/80 following the actual expenditure becoming available for that year for all Scottish Housing Authorities.

4. Building Warrant Fees were £70,000 in Budget but £96,716 in the 1982/83 Actual.

5. Expenditure was lower than budgeted for running vehicles by £16,780, loan charges by £10,611, operating Pulverisation Plant by £7,807, purchasing vehicles by £7,440, and maintaining refuse tips by £4,856.

6. Income from recoveries of legal and other expenses were £64,298 more than anticipated at budget time due to the high level of Council house sales. It was recognised at budget time that microfilming equipment - subsequently approved - could be covered by the contingency provision. This cost £42,926.

7. Loan charges here were lower than anticipated but contributions from Central Government higher.

8. The Expenditure on which recovery rates were based did not fully materialise, leading to an over-recovery of cost.

9. Loan Charges were £9,852 lower than anticipated and recoveries from developers for works done £10,915 more than expected.

10. £6,000 had to be spent on wood-rot treatment and eradication at Huntly - not foreseen at budget time, and due to staff changes on opening Gordon House insufficient budget provision was made for caretaking duties at Inverurie.

11. Cost of chemicals, cleaning, heating, lighting and maintenance turned out £27,130 lower than the budget provision, partly due to agreement being reached with Grampian Region for the heating recharge at Inverurie.

12. Loan Charges were £13,308 less than budgeted due mainly to delay in acquiring land for extensions.

13. Planning fees were £33,544 more than anticipated at budget time.

14. Loan charges were £21,385 less than anticipated at budget time.

15. Expenditure on Public Inquiries was £8,037 more than budget provision.

16. Residual Costs of Canteen - £3,657 - were not included specifically in Budget.

17. This is affected by the estimated surplus for the year during which the Budget is prepared, the free balances throughout the year, and the level of interest rates.

18. The main element of the Grant is distributed on a population basis modified to take account of children, old people, population sparsity and density, etc. The reduction in the actual figure stemmed from a general grant adjustment because of the level of Scottish local government expenditure. Because the District Council's Budget in 1982/83 was within Central Government Guidelines, this reduction is being reimbursed in 1983/84.

19. £516,630 Oil Grant Arrears for 1978/79 was received in 1982/83 but written up before the 1981/82 Accounts were closed. The £123,919 Arrears for 1979/80 has similarly been written up in the 1982/83 Accounts.

20. This Grant Element is intended to bring rating resources up to a population-related standard so that each Authority receiving this Element will be able to raise the same amount per head of population if it levies the same rate per £.

21. The 1982/83 Budget, included £516,630 as Grant income and thereafter anticipated £213,220 would be required from the Rating Revenue Surplus. As mentioned in Note 19 above, the £516,630 was written up in 1981/82, increasing the Surplus at 31.3.82 and requiring, one would have expected, a larger amount being taken from the Surplus in 1982/83. However, because Net Expenditure turned out £1,059,376 less than expected, the Rating Revenue Surplus has increased instead of being reduced.
## Revenue Budget Variations and Comparative Statistics

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td></td>
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<tr>
<td><strong>Housing Revenue Account</strong></td>
<td></td>
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<tr>
<td>Administration and Management</td>
<td>396,550</td>
<td>404,224</td>
<td>7,674</td>
<td>67.96</td>
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<td>Repairs and Maintenance</td>
<td>812,300</td>
<td>567,823</td>
<td>244,477</td>
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<td>Loan Charges</td>
<td>5,137,750</td>
<td>4,501,480</td>
<td>636,270</td>
<td>725.01</td>
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<td>Other Expenditure</td>
<td>173,350</td>
<td>186,624</td>
<td>13,274</td>
<td>31.30</td>
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<td></td>
<td>6,319,550</td>
<td>5,660,151</td>
<td>(659,799)</td>
<td>951.61</td>
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<td><strong>Housing Support Grant</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<td>Rents</td>
<td>3,040,500</td>
<td>2,032,622</td>
<td>503,758</td>
<td>341.73</td>
<td>3</td>
</tr>
<tr>
<td>Other Income</td>
<td>258,100</td>
<td>263,057</td>
<td>5,757</td>
<td>44.36</td>
<td>4</td>
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<tr>
<td></td>
<td>3,298,600</td>
<td>2,332,444</td>
<td>(566,156)</td>
<td>898.66</td>
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<tr>
<td><strong>Housing Revenue Deficit</strong></td>
<td>605,150</td>
<td>314,927</td>
<td>(290,223)</td>
<td>52.95</td>
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<td><strong>Environmental Health</strong></td>
<td></td>
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<td></td>
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<tr>
<td>General and Building Control</td>
<td>250,100</td>
<td>220,121</td>
<td>(29,979)</td>
<td>3.35</td>
<td>4</td>
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<tr>
<td>Refuse Collection and Disposal</td>
<td>804,825</td>
<td>751,120</td>
<td>(53,705)</td>
<td>11.37</td>
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<tr>
<td>Street Sweeping</td>
<td>48,600</td>
<td>36,920</td>
<td>(11,680)</td>
<td>0.35</td>
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<td>Public Conveniences</td>
<td>48,025</td>
<td>48,460</td>
<td>(455)</td>
<td>0.03</td>
<td>7</td>
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<tr>
<td>General Administration</td>
<td>296,830</td>
<td>276,694</td>
<td>(20,136)</td>
<td>4.18</td>
<td>8</td>
</tr>
<tr>
<td>Housing Grants and Rebates</td>
<td>201,200</td>
<td>151,780</td>
<td>(49,420)</td>
<td>3.30</td>
<td>9</td>
</tr>
<tr>
<td>Technical Services - General</td>
<td>187,650</td>
<td>186,117</td>
<td>(1,533)</td>
<td>0.20</td>
<td>10</td>
</tr>
<tr>
<td>Direct Labour</td>
<td>36,160</td>
<td>36,802</td>
<td>(642)</td>
<td>0.13</td>
<td>11</td>
</tr>
<tr>
<td>Parks and Recreational Areas</td>
<td>250,550</td>
<td>232,055</td>
<td>(18,495)</td>
<td>3.51</td>
<td>12</td>
</tr>
<tr>
<td>Public Halls</td>
<td>66,900</td>
<td>76,590</td>
<td>(9,690)</td>
<td>1.62</td>
<td>13</td>
</tr>
<tr>
<td>Swimming Pools</td>
<td>149,900</td>
<td>119,850</td>
<td>(30,050)</td>
<td>3.13</td>
<td>14</td>
</tr>
<tr>
<td>Other Recreational Facilities</td>
<td>10,950</td>
<td>8,371</td>
<td>(2,579)</td>
<td>0.17</td>
<td>15</td>
</tr>
<tr>
<td>Burial Grounds</td>
<td>151,400</td>
<td>135,893</td>
<td>(15,507)</td>
<td>2.06</td>
<td>16</td>
</tr>
<tr>
<td>Planning and Development - General</td>
<td>170,120</td>
<td>135,485</td>
<td>(34,635)</td>
<td>3.63</td>
<td>17</td>
</tr>
<tr>
<td>Industrial Development</td>
<td>69,500</td>
<td>35,703</td>
<td>(33,797)</td>
<td>0.54</td>
<td>18</td>
</tr>
<tr>
<td>Conservation Amenities, etc.</td>
<td>34,250</td>
<td>42,217</td>
<td>7,967</td>
<td>0.64</td>
<td>19</td>
</tr>
<tr>
<td>Libraries and Museums</td>
<td>396,100</td>
<td>365,924</td>
<td>(30,176)</td>
<td>3.54</td>
<td>20</td>
</tr>
<tr>
<td>Miscellaneous Services</td>
<td>87,000</td>
<td>93,846</td>
<td>6,846</td>
<td>1.42</td>
<td>21</td>
</tr>
<tr>
<td>Capital Projects met from Revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Contingencies Provision</td>
<td>300,000</td>
<td>-</td>
<td>(300,000)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less Interest on Revenue Balances</td>
<td>4,109,010</td>
<td>3,224,915</td>
<td>(884,095)</td>
<td>46.81</td>
<td>22</td>
</tr>
<tr>
<td>NLT EXPENDITURE financed as follows</td>
<td>4,029,010</td>
<td>2,986,666</td>
<td>(1,042,344)</td>
<td>65.25</td>
<td></td>
</tr>
<tr>
<td><strong>Rate Support Grant Needs General</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&quot; &quot; &quot; &quot; &quot; Oil Related</td>
<td>1,257,790</td>
<td>1,223,860</td>
<td>(33,930)</td>
<td>18.52</td>
<td>23</td>
</tr>
<tr>
<td>&quot; &quot; &quot; &quot; &quot; Arrears</td>
<td>81,730</td>
<td>81,728</td>
<td>(2)</td>
<td>0.02</td>
<td>24</td>
</tr>
<tr>
<td>&quot; &quot; &quot; &quot; &quot; Resources Element</td>
<td>516,630</td>
<td>123,919</td>
<td>(392,711)</td>
<td>1.87</td>
<td>25</td>
</tr>
<tr>
<td>Other Elements</td>
<td>772,630</td>
<td>788,546</td>
<td>(15,916)</td>
<td>0.62</td>
<td>26</td>
</tr>
<tr>
<td>Rate levied</td>
<td>2,635,780</td>
<td>2,197,633</td>
<td>(438,147)</td>
<td>3.35</td>
<td>27</td>
</tr>
<tr>
<td>Balance utilised</td>
<td>1,200,000</td>
<td>1,209,600</td>
<td>9,600</td>
<td>0.31</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>4,035,010</td>
<td>3,407,236</td>
<td>(627,774)</td>
<td>15.25</td>
<td></td>
</tr>
</tbody>
</table>
This is not to say that all are entirely lacking in narrative. Three of the four contain brief reports by their Directors of Finance, and two contain paragraphs describing the different services provided by the Council. But this does not constitute the sort of integrated financial narrative recommended in the Code.

This is particularly disappointing in the case of Moray, who have otherwise made a good attempt at producing an attractive handbook for the lay person, and who state their commitment to the spirit of the Code in their introduction: "A Code of Practice covering the publication of financial and other information has now been prepared........It is intended to expand and develop this Annual Report and Financial Statement in later years in order that the content may be as wide ranging as possible, and to present information in a concise and attractive manner and in a form which will be more readily understood." It is to be hoped that they will expand their use of narrative to this effect.

Two reports (Kincardine's and Gordon's) attempted to provide the sort of highlighting and explanation called for by the Code, but to do so in short notes to the tables. Both these reports are of horizontally printed A4 format. The width of the page was exploited by Kincardine by placing notes to the right of the tables, while Gordon blocked its explanatory notes on the lower page of a double-page spread, with the tables on the upper page. Of the two arrangements, we felt that Kincardine's was preferable, since the reader's eye passes in any case from left to right and can pick up the relevant explanatory information together with the line of the table to which it refers. However, this arrangement does have the disadvantage of severely limiting the length of explanation that can be given on any particular point. Gordon's arrangement does not do this, but the necessity to move constantly from page to page is tiring for the reader and discourages interest. Moreover, in order to fit the relevant information onto the page, Gordon has been forced to use a very small typeface and very close spacing of lines of type. This exacerbates the reader's difficulties, by making the text physically very difficult to read. We feel that this approach is less advantageous to the reader than that recommended in the Code of Practice.

(iv) Language and Style

The use of narrative as recommended by the Scottish Code of Practice implies the selection by each authority of a style of writing appropriate to the occasion. So does the inclusion in Annual Reports of introductions or prefaces, descriptions of service provision, or any other form of narrative the Code suggests or the authority chooses.

The Scottish Code has nothing to say about the style of writing or presentation of the report. The English Code, however, says that the Annual Report should provide 'clear information' (para 1.3), that 'authorities should pay particular attention to the question of public understanding and access' and that authorities should try to include 'An explanation of local authority terminology, accounting practices and other information for non-specialists.'
In this respect, there is evidence of considerable concern on the part of some authorities, reflecting the spirit of the English rather than the Scottish Code, but a contrasting lack of concern from many others.

Overall, the language and style of the reports is formal and technical. Sentences like this are far from unusual: "The net costs of each administrative department is charged over the accounts of the authority in proportion to the estimated percental of usage by each service involved" (Sutherland). Vigorous and direct statements like the following are exceptional, and are refreshing when they appear: "130,000 tonnes of waste were generated within the District and handled by the Refuse Disposal Section. To appreciate what this means one can imagine it spread the full width of the road from Falkirk to Grangemouth, which is 4 miles. The height would reach 22 feet. Every working day some 200 lorry loads are transported to the disposal areas." (Falkirk District Council). This is not to say, of course, that reports should necessarily be as easy to read and absorb as the leading article in the Daily Mirror. But there is no reason why they should not be made fresh and interesting by the use of surprising comparisons like the one above, and every reason why they should use words and a style of writing that most people in the community will be able to understand. After all, they are supposed to communicate information to the general public.

Obviously, some authorities were a little troubled about this aspect of their reports, for they included separate glossaries of technical words and phrases, or integrated explanations in the text. Dumfries and Galloway, Tayside, Central and Perth & Kinross all include glossaries. These however offer only formal definitions of technical accounting terms, offered in a technical accounting vocabulary, for example:

"CAPITAL EXPENDITURE: Expenditure incurred in creating, acquiring or improving assets but financed either by borrowing over a period of years, or by leasing, or by utilising Capital Receipts" (Tayside; 'capital receipts' are not defined in the Glossary).

The same criticism may to some extent be made of a Glossary of Terms recently published in England by the Chartered Institute of Public Finance and Administration (CIPFA) as a discussion paper. This glossary is "intended to provide the non-accountant with a clear and concise explanation of the terms commonly used in the published report and accounts for a local authority", and it is suggested that "individual authorities will be able to use it in preparing a selection of relevant definitions for incorporation in their own reports." (Glossary of Terms, CIPFA, p.v). It is undoubtedly a useful aid for the lay person interested in local authority accounts, and would be still more useful if one did not have to turn to a second and a third definition in order to understand the terms used in the first. If the definitions in this document can be simplified it will certainly become a useful source of reference for local authorities compiling reports to the public.
We feel however that glossaries, however good, should be seen as second best to the writing of reports in plain language and a simple style likely to be immediately understood by most people.

(v) Conclusions

We conclude that the dead hand of the old style of the Abstracts of Accounts still lies heavily upon the new wave of Annual Reports, and makes them duller and less attractive than they need be.

We think that many authorities could make more effort to convey information by means other than statistics, for example, through diagrams and the use of graphics. Most of the larger authorities have already shown the way in this direction. Furthermore a few small district authorities have demonstrated that the presentational methods of the urban districts and regions can be successfully adapted to the more limited resources of the suburban and rural districts.

We are extremely surprised that some authorities have shown so little regard for the Code's recommendations on the use of narrative, and believe that authorities which do use narrative should pay rather more attention to the need for a simple, non-technical, readily understandable style of writing.

We regard the lack of visual appeal and readability in many reports as defeating the purposes of their publication. They do not communicate the information they are supposed to convey. The presentation of annual reports is as important as the information they contain.
3. **Recommendations on Date and Style of Publication**

(a) Annual reports should be published within six months after the close of the financial year, even if that means that they have to be based on unaudited accounts. Reports should say whether or not they are based on audited accounts.

(b) Annual Reports in terms of the Code of Practice should contain the words "Annual Report" in their titles, and should mention the Code of Practice by name.

(c) Narrative should be used extensively throughout annual reports to make the figures easier for consumers to understand. This narrative should explain any divergencies between estimated and actual accounts. Plain language and clear style should be used, and if technical words are used they should be explained in simple terms.

(d) Authorities should ensure that the typeface, design, lay-out, and reproduction quality make annual reports easy for the public to read.

(e) Reports should be made more attractive. To this end, authorities should consider the use of diagrams, graphics, photographs, interesting cover designs, and coloured paper or ink.

(f) Local authorities should provide a channel for the public to get information about annual reports, and staff should be equipped to advise the public on the titles and status of the annual report and the accounts which they contain. These arrangements should be advertised at the time of publication.
III. CONTENT AND THE CODE

1. Basic Recommendations on Content

Both the Scottish and the English Codes of Practice make specific recommendations on the particular items of basic information to be contained in the annual report.

The Scottish Code says that the following information should be given for each service:

- budget and actual figures for revenue expenditure, with a narrative explanation;
- budget and actual figures for capital expenditure with narrative explanation;
- figures on scale of provision, usage, client groups and unit costs;
- subjective analysis of expenditure and income; budget, actual and previous year;
- manpower figures;

and that there should also be:

- a rating valuation by category of ratepayer;
- a financial statement with summaries of the capital and revenue accounts, a consolidated balance sheet, and a statement of accounting principles.

On almost everyone of these points, the recommendations of the English Code go further than the Scottish. The subject of this chapter is the Scottish Consumer Council's assessment of the extent to which the Scottish annual reports have fulfilled or exceeded the recommendations of the Scottish Code, or have taken account of the provisions in the English Code.

2. Compliance with the Code

In this section we examine each of the Scottish Code's recommendations on basic content; point out how and where the English Code's recommendations exceed these; and assess the extent to which the annual reports under review measure up to or exceed the Scottish Code.

We start from the assumption that, since COSLA agreed the Scottish Code with the Scottish Office at a time when the English Code was available and both parties were aware of its more extensive provisions, the Scottish Code should be viewed as the minimum standard that consumers should expect of Scottish authorities.
(1) Revenue expenditure

Paragraphs 3.3 of the Scottish Code calls for:

"A narrative statement incorporating a summary of gross and net revenue expenditure for each major service comparing the budget with the actual outturn for that year together with observations on the reasons for variations. This should highlight any items which the ratepayer may find of value in assessing the authority's financial performance for that accounting period."

We have already examined authorities' interpretation of the call for "a narrative statement", in section II 2 (iii) above, on the use of narrative generally. In this section, therefore, we confine ourselves to observations on content.

The parallel recommendation on the English Code calls for:

"Details of revenue expenditure and income for the year ended 31 March, as follows:

- an indication of how in overall terms the financial outturn compared with the budget, and an explanation of major variances;

- a service analysis of gross revenue expenditure and income;

- net expenditure by service for the year compared with:
  (i) the original estimates plus inflation (or where these are not available, the revised estimate) and:
  (ii) the actuals for the previous year;

- comments on any changing pattern of expenditure between services within the authority and any corporate strategy underlying this."

This recommendation therefore goes much further in calling for the adjustment of original estimates to allow for inflation; comparative figures on actual outturn for the previous year as well as on the budget and actual outturn of the year under report; and an over-view of the strategy giving rise to any changing patterns of expenditure between services. None of these items of information are recommended by the Scottish Code, yet all are of obvious potential use to the consumer.

Compliance with this recommendation of the Scottish Code appears at first sight good. Most of the reports do contain something about budgeted and actual expenditure, and most contain some narrative. As already pointed out, however, four authorities' reports contain little narrative if any, so these neither highlight items of

22.
interest nor offer observations on reasons for variations. Two of
them (Dumbarton and West Lothian), in addition, provide no figures
for budgeted expenditure. Five of the 32 reports under
consideration have therefore failed in a really major way to comply
with this recommendation.

The remainder all contain the figures recommended, and all make
narrative statements of some sort. However, several fail to
incorporate the relevant figures into a narrative statement
explaining variations. Rather they provide disconnected sections
of narrative and of statistical material, so that the reader has to
flip uncomfortably from page to page, or else they simply provide
notes to the tables. Grampian, Falkirk and Aberdeen are all
eamples of the first of these faults, while Gordon and Kincardine
display the second.

A number of the other reports deal very well with this
recommendation, typically providing over-all comment on budget
performance in an introduction, and detailed information on
departmental performance in separate paragraphs incorporated into
their service sections. In doing this, they both comply with the
recommendation of the Scottish Code and, in several cases, aspire
towards the additional recommendation of the English Code for an
overall view of outturn as compared with budget, as well as
departmental comparisons. Their solution seems to provide the
best, structural and informational solution from the consumer's
point of view. Examples of budget performance notes are to be
found in the reports of most of the regions and some districts such
as Skye & Lochalsh, Banff & Buchan, Dundee and Monklands.

However, closer reading of some of these reveals that even they
fail to provide exactly what the Code recommends. The Code calls
for "observations on the reasons for variations" (our emphasis).
Unfortunately, a number of authorities have interpreted this as
meaning an identification of the areas in which variations occur.

Dundee's section on Recreational Services, for instance, has a
paragraph headed 'Budget Performance', which reads "The 1982-83
budget figures have been updated to out-turn prices and when
compared with the 1982-83 actual figures show an underspending of
£341,000. This was due mainly to an underspending in the running
costs of the Parks and Open Spaces of £301,000, although
underspendings were also made by the Civic Amenities Administration
£56,000 and the Leisure Centre £15,000." (This Report contains
similar paragraphs for each major service.) These indications are
useful so far as they go, but it would have been more helpful still
to have reasons for underspend in these areas, and that is what the
code recommends.

Some authorities do, however, provide reasons for variations, as
well as saying where they occur. Strathclyde and Edinburgh are
shining examples. Edinburgh's section on Building Control, for
instance, contains a paragraph headed "Budget Performance", and
reading "Allowance was made in the budget for the transfer of
property maintenance responsibilities from the Department of Architecture but this did not take place in the year, resulting in an underspend on estimated employee costs. Otherwise, the high value of construction and alteration work being undertaken in the City produced a further increase in warrant fees while the sum provided to meet bad debts was greater than required so that, overall, net expenditure was 22% less than estimated.” This is clear, concise and to the point. It tells the reader the proportion of the variation from budget, where it occurred, and why. It is exemplary, and there is no reason why any authority should fail to provide this sort of information. It is a great shame that so many do.

In some other respects, however, the authorities have done better. Almost all, for example, went beyond the Scottish Code in the direction of the English recommendations, and published out-turn figures for 1981-82 as well as for 1982-83, and this will certainly be helpful to the general reader.

By contrast, however, very few reports made any mention of the rate of inflation over the financial year, even though this must certainly be a constant preoccupation to finance officers and is important for anyone wishing to interpret the statistics of the reports. Of the few authorities who chose to discuss the question of inflation (which is recommended in the English Code), Perth & Kinross was perhaps the most successful in producing an exact and comprehensive yet readily understandable account:

"3. Review of Budget Performance

(a) General

When I submitted by first budget as Director of Finance, which was for the year now under review, 1982-83, I reported that inflation was at that time running at 12% per annum. I also reported that the Government had imposed an inflation factor for guideline and Rate Support Grant purposes of 4% on Staff Costs and 9% for other costs. I considered it advisable to make provision in the budget for 8% on Salaries and Wages and 13% on other costs. In retrospect these forecasts have proved to be unduly pessimistic with Salary and Wage awards averaging 5.5% and general inflation, as measured by the Retail Price
Index from November 1982 (the budget price base) to March 1983 reported at 6.84%. These two factors alone have produced substantial savings on budget provision. In round terms these notional savings were as follows:-

<table>
<thead>
<tr>
<th></th>
<th>Budget for Inflation</th>
<th>Actual Inflation</th>
<th>Saving</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff costs</td>
<td>£220,500</td>
<td>£148,800</td>
<td>£71,700</td>
</tr>
<tr>
<td>Property costs</td>
<td>£107,000</td>
<td>£56,300</td>
<td>£50,700</td>
</tr>
<tr>
<td>Other Supplies and Services</td>
<td>£208,000</td>
<td>£109,500</td>
<td>£98,500</td>
</tr>
<tr>
<td></td>
<td>£535,500</td>
<td>£314,600</td>
<td>£220,900</td>
</tr>
</tbody>
</table>

In addition, economic indicators at the time the budget was finalised led me to forecast an average Loans Fund rate for 1982/83 of 12.75%. The actual rate achieved as detailed on page 54 is 12.07% and this has resulted in savings in Loan Charges as follows:-

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Loan Charges</th>
<th>Actual Loan Charges</th>
<th>Saving</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rating Services</td>
<td>£1,222,534</td>
<td>£1,103,085</td>
<td>£109,449</td>
</tr>
</tbody>
</table>

The saving in Loan Charges is to some extent offset by a reduction in Rate Support Grant of £26,000 in terms of the Rate Support Grant (Scotland)(No.2) Order, 1982."

Less surprisingly, virtually nobody gave any sort of overview of their council's strategy and of the changing pattern of expenditure between services. This may have been because so many of the authorities clearly felt under siege from central government in the financial year under report, and felt that the prime need at this particular line was to manage an orderly decline in their affairs overall, and simply to prevent too much damage to any one service.

The atmosphere was vividly evoked by the Chief Executive of Falkirk District Council: "Last year I likened Local Government Management to managing the retreat from Dunkirk with assistance of the enemy. This year, having managed the retreat and got into the Channel, it appears that we in Local Government are now running into Central Government minefields......."where leaders of authorities managed to shake off their despondency sufficiently to provide any general view of their resource management, it was to trumpet to the electorate the services to which additional funds had been devoted.

Nobody appeared prepared to tell the consumer exactly which services suffered corresponding cuts, although Fife's convener admitted that "it was necessary for the Council, in an effort to meet increasing demands in certain areas, to examine the standard and level of other services in order to ascertain whether any review of these would lead to equivalent savings."
While, therefore, we regretted to find that a considerable number of authorities had disregarded both the letter and spirit of the Scottish Codes first recommendation on the interpretation of the accounts, we were nevertheless pleased that most authorities had in fact provided more basic financial information (figures for the previous year) than was recommended.

We recognise that the lack in many reports of the right sort of explanatory comment on performance variations may be due to the inexperience of those authorities in offering comment of that kind, and hope that in future they may find more success through imitation of those reports we have commended.

It is disappointing that in general "managerial" over-views of changes in resource distribution between services were absent. The inclusion of these in the English Code is very much a part of the ethos of that document, which sees the consumer almost as a partner in the management of the authority, and sees the Annual Report as integrating the total management and financial reporting of the authority. In this respect it is far more ambitious than the Scottish Code, and there is no indication from the reports under consideration of any new found enthusiasm on the part of the Scottish authorities to aspire beyond the very limited terms they agreed with the Scottish Office.

A further recommendation on the presentation of revenue expenditure is contained in sub-paragraph 3.3 (iv) of the Scottish Code. This states that reports should include "Gross revenue expenditure for each service analysed by subjective heading i.e. wages, transport costs, supplies and services etc together with an analysis of income for each service." The English Code contains a similar recommendation (para 2.3).

Almost all the reports complied with the first part of this recommendation, but there was a strong tendency to disregard the call for an analysis of income and simply to lump it all together for each service (except housing, where it was always analysed).

(ii) Capital Expenditure

The Scottish Code contain recommendations on the presentation of capital expenditure parallel to those on revenue expenditure. Authorities are asked to provide "A service analysis for the capital expenditure programme comparing it with the actual performance achieved together with a narrative statement on any variations between the sets of information" (para.3.3(ii)).

The level of compliance with this recommendation was poor. Many authorities failed to provide narrative statements on variations between budget and actual expenditure. Some authorities did speak to their variations, after taking the opportunity to comment on 'stop-go' central government policies.
Perth and Kinross, for instance, stated that "Success in selling Council houses has put this council in the unenviable position of apparently underspending very considerably on the Capital Account relevant to Housing. The enhanced allocation relative to Housing Revenue Account amounted to £7,109,000 of which no less than £4,386m net came from the proceeds of the sale of Council houses and other capital receipts. The Council's programme of expenditure for 1982-83 was £3,505m and the actual result for the year at £3,284,943 is within £220,000 or 6% of this allocation. Because of this apparent underspending, the Scottish Office have issued a supplementary consent for 1983-84 of £1.66m and it remains to be seen whether or not the council will be able, or indeed will wish, to react to this new found capacity to spend. Supplementary allocations this late in a budget year are extremely difficult to absorb in a meaningful and properly planned fashion." This sort of comment shows how authorities can use the opportunity provided by the annual report both to provide precise financial information to the public and to explain the problems they face and the conflicting pressures they are under. We should have thought that more authorities would have welcomed the chance to put their case in this sort of way. (Although we might hope they would find simpler language to do so.)

The English Code's recommendation on capital expenditure goes, in some respects, much further than that of the Scottish Code. Authorities in England are to provide "A summary of capital expenditure by service and a statement showing the sources of finance for the total capital expenditure during the year e.g. borrowing, reserves, leasing. Progress of any major capital projects showing future commitments (including manpower), and any anticipated savings" (para. 2.2). The final part of this recommendation is in line with the "management" role suggested for English annual reports in paragraph 1.4 of the English Code.

There is nothing to suggest that the Scottish Code envisages a similarly forward-looking role for Scottish reports. None of the reports we looked at did in fact provide this sort of information on major capital projects, although a few (e.g. Strathclyde, Banff and Buchan) gave the year's capital expenditure figures for selected projects. It would undoubtedly be of interest to consumers in Scotland to have the sort of forward planning information on individual projects suggested by the English Code. But, of course, such information, or any other referring to future plans or budgets, would only be of use if reports were published early in the new financial year. As we have pointed out, the whole tenor of the Scottish Code is against that happening.

(iii) Measures of Performance and Inter-Authority Comparisons

Paragraph 3.3 (iii) of the Scottish Code calls for the inclusion of "General statistics for major services showing, for example, the scale of service provision, the client group served and numbers, the usage of the service in comparison with the budget and similar data for the previous financial year." This is almost word for word the same as paragraph 2.4 of the English Code, although there comparisons with budget are not included.
The Scottish Code goes on to recommend that "Unit costs should be shown for significant items and further guidance on this is contained in the annex to this code".

The equivalent recommendation and annex of the English Code go much further: "A set of key service indicators selected by the authority (including those specified in the list in the annex) which where possible measure performance, including productivity where appropriate, using information at least for the year of account. Where indicated in the annex and otherwise as appropriate the figures for the authority should also be compared with actual and average figures of other authorities based at least on the figures for the year preceding the year of account. But authorities may also wish to make such comparisons on a more recent, estimates, basis as well" (para.2.5).

This recommendation is clearly much more ambitious, in that it looks beyond the simple financial criterion and invites authorities to consider other indicators of performance (including, potentially, the sort currently being discussed between the National Consumer Council and English local authorities, taking account of consumer aspirations and their satisfaction). Moreover, the English recommendation asks authorities to provide figures for other authorities, so that consumers can make comparisons and draw conclusions about the performance of their own authorities in relation to that of others. Finally, it suggests that these comparisons may be brought right up to date, using estimates for the current year.

By contrast, the Scottish Code contains very little to suggest that authorities should look beyond the purely financial in their annual reports; or that they should offer any sort of comparison with other authorities' performance even on this level; or that they should offer any sort of forward management figures for the present or future years.

Part 5 of the Scottish Code does, it is true, discuss "Inter-Authority Comparisons", and suggests that an expansion of Rating Review "so as to incorporate further information from local authority budgets for some of the major services such as education and social work" will provide "an adequate source of inter-authority comparative statistics for local publication in annual reports." This, however, strongly suggests that comparisons do not need to be made for other sorts of local services, for example those which are district functions. Also, this suggests that the statistics used do not need to be particularly up to date: if an authority wishes to use comparative statistics for the financial year under review, it will presumably have to delay the publication of its annual report until after the publication of Rating Review, or else use figures from the previous year's issue (ie. 2 years out of date). There is nothing to suggest that authorities will be able to make comparisons "on a more recent estimates basis," as the English Code suggests.
Finally, the Scottish Code contains a strong warning against the making of comparisons based on the sort of financial information that the Scottish Code suggests authorities should publish. "It is stressed that no judgments can be made on the performance of authorities on the basis of bare statistics and financial information but that the quality of the service provided, the character of the authority and the special circumstances within which an authority provides a particular service must be taken into account before any comparison can be made." This is all very well, but the Scottish Code does not encourage authorities to include information in their annual reports to allow consumers to consider the quality of service, the character of the authority, or any special circumstances.

The English Code makes some attempt in this direction. It at least suggests the inclusion of "a basic profile of the authority including demographic statistics and other relevant and available background "environmental" statistics" (para. 3.11). Moreover, the English Code recognises the difficulties inherent in comparisons between authorities, and makes constructive suggestions as to how these can be overcome. "Comparisons across time or between plans and achievements", it suggests, "may be more appropriate or more illuminating for certain activities or aspects of performance."

However, the authority will itself be the best judge of which other authorities are comparable with it and will be able to make comparisons with "other authorities chosen by the authority has having similar characteristics (not necessarily the same authorities for all services)". Finally, it remarks that "Authorities will be aware of the difficulties inherent in drawing such comparisons and of the need to include qualifying statements as appropriate". (Annex, para.A2). The approach of the English Code is therefore extremely positive, even while it recognises the difficulties and dangers which the Scottish Code so strongly emphasises.

In the face of the apparent reluctance of the Scottish authorities to make explicit inter-authority comparisons in their reports, most consumers who wish to make such comparisons will have to use their own knowledge or guesswork to select authorities for comparison, and to consult either Rating Review or the annual reports of the authorities they have chosen. It is therefore highly important to such consumers that figures on performance measures such as scale of provision, client group, usage, and unit costs (i.e. those recommended by Paragraph 3.3 iii and the Annex of the Scottish code) are given in uniform terms by all authorities.
Unfortunately, this was far from being the case. Indeed, hardly any authority managed to comply fully with all the terms of this recommendation. In particular, very few reports included any indication of client group, even to the extent of providing the sort of diagram of age structure and trends published by Strathclyde:

**Strathclyde Population Trends 1974-81-88**

*Change in proportions of major client groups*

Significant changes in the age structure of the population are taking place, with important consequences for the Council's services. The number aged 0-4 fell in the 1970s, but a rise is predicted in the 1980s. The number aged 5-12 will fall until 1988 and will then increase. The number aged 12-15 will decline until the early 1990s. The school-leaving group (aged 16-17) increased in number until 1981, but a reduction is expected during the rest of this decade. The number of retired people aged under 75 will decline slightly, but those aged 75 and over will increase.
Nor was the scale of provision by departments (surely the easiest measure to provide) always given in any detail. Some authorities tackled this very well but other councils either gave no information or else gave it in such general terms as to be useless for purposes of comparison.

These failures were perhaps understandable given authorities’ discretion to interpret a recommendation expressed in general terms, and given that these are the first annual reports composed under the terms of the Code. One might, however, expect a higher level of compliance with the more precise measures requested, such as figures for usage of services as compared with budget and with the previous year, or the exact measures for unit costs contained in the Annex to the Code.

It is therefore disappointing to note that only about half of the reports considered here do contain usage figures in the form requested. Many of the remainder omit comparisons with budget, a number contain figures only for certain (easily measured) services such as library loans or burials, and a few omit figures for the previous year, or even disregard this recommendation altogether. This is particularly surprising as there is little reason to suppose that the figures requested are either contentious or difficult to obtain.

Provision of precise figures for unit costs was equally uneven, with a few authorities disregarding the recommendation altogether, and many more failing to provide particular measures.

Responsibility for providing precise measures, as detailed in the Annex to the Code, fell particularly heavily upon regional authorities since they had to provide a number of measures for education, social work, and roads and transport. All the regions attempted to supply at least some of the figures demanded, but equally, all of them failed to provide at least one measure in the form requested. Lothian’s performance was the best, with only one failure (it provided net not gross cost per pupil in primary and secondary education). Most of the other regions did far less well.

The major failures were bunched together in certain areas of education and social work. For example, no fewer than three regions (Tayside, Central, and Strathclyde) failed to provide any figures for the number of nursery school pupils per 1,000 population aged 3 and 4; four regions did not provide the measures required for school meals; and as many as six of the seven failed in some detailed respect on the figures demanded for general costs. In the social work field, four regions provided no figures for children in care as a percentage of the population under eighteen, and three gave none for fieldwork staff per 1,000 population. Five were similarly reticent on the subject of precise figures for home helps. Nor were Roads and Transport immune from failure: three of the seven regions failed to provide figures for support of public transport operations.
## Rate Fund Services

### Comparison Statement

#### Estimated Net Expenditure

<table>
<thead>
<tr>
<th></th>
<th>Inverclyde</th>
<th>Hamilton</th>
<th>Dunfermline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning and Development</td>
<td>1,302,820</td>
<td>380,450</td>
<td>343,900</td>
</tr>
<tr>
<td>Housing Revenue</td>
<td>2,757,300</td>
<td>4,415,538</td>
<td>1,534,965</td>
</tr>
<tr>
<td>Other Housing Revenue</td>
<td>561,670</td>
<td>550,200</td>
<td>556,535</td>
</tr>
<tr>
<td>Leisure and Recreation</td>
<td>3,390,540</td>
<td>3,922,290</td>
<td>3,462,895</td>
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<tr>
<td>Environmental Services</td>
<td>2,361,530</td>
<td>2,619,560</td>
<td>2,648,710</td>
</tr>
<tr>
<td>Miscellaneous Services</td>
<td>136,850</td>
<td>284,370</td>
<td>101,420</td>
</tr>
<tr>
<td>Central Administration</td>
<td>1,057,640</td>
<td>1,178,590</td>
<td>949,735</td>
</tr>
<tr>
<td>Provision for Cost &amp; Price Increases</td>
<td>500,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>12,068,350</td>
<td>13,350,988</td>
<td>9,598,160</td>
</tr>
</tbody>
</table>

#### Actual Net Expenditure

<table>
<thead>
<tr>
<th></th>
<th>Inverclyde</th>
<th>Hamilton</th>
<th>Dunfermline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning and Development</td>
<td>1,201,662</td>
<td>329,790</td>
<td>294,114</td>
</tr>
<tr>
<td>Housing Revenue</td>
<td>3,547,197</td>
<td>4,686,000</td>
<td>1,286,175</td>
</tr>
<tr>
<td>Other Housing Revenue</td>
<td>219,892</td>
<td>555,700</td>
<td>334,568</td>
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<tr>
<td>Leisure and Recreation</td>
<td>3,688,925</td>
<td>3,901,430</td>
<td>3,200,737</td>
</tr>
<tr>
<td>Environmental Services</td>
<td>2,521,219</td>
<td>2,555,820</td>
<td>2,573,643</td>
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<tr>
<td>Miscellaneous Services</td>
<td>202,108</td>
<td>97,590</td>
<td>57,488</td>
</tr>
<tr>
<td>Central Administration</td>
<td>1,050,426</td>
<td>1,212,190</td>
<td>909,812</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>12,231,429</td>
<td>13,338,520</td>
<td>8,656,537</td>
</tr>
</tbody>
</table>

Rate per £

- 37p
- 45p
- 20p
It seems possible that at least some of these statistics were omitted by regional authorities because the information was regarded for one reason or another as politically sensitive.

The District Councils, by contrast, had to provide only simple measures for most of their services (net cost per head of population, and manpower per 1,000 population), and more complex figures only for housing. Even so, less than a quarter of them managed (or decided) to provide all the measures requested, and there was a high level of non-compliance for each one of the specific measures for housing (round about a third for each measure).

This level of failure from both Regions and Districts is particularly disappointing in view of the crucial nature of the measures (potentially allowing consumers to draw comparisons between authorities), the relative ease with which the authorities should have been able to supply the figures, and of course the fact that the Code was agreed with their representative organisation, COSLA, before publication.

It might be argued by some authorities that consumers could turn to other publications for comparative figures on services. However, very few authorities seem to have made any sort of attempt to inform readers of their annual reports about these publications. Inverclyde, Angus and Dunfermline were exceptional in this respect. Inverclyde not only recommending Rating Review but offering it for sale from their Finance Department, and both Angus and Dunfermline describing its content and usefulness in some detail: "Rating Review, published by the Scottish Branch of the Chartered Institute of Public Finance and Accountancy and giving comparative statistics for all Scottish Local Authorities on local authority expenditure and service provisions."

Certainly, any attempt to encourage comparisons was quite exceptional, though several reports reprinted or rephrased the warning given in the Code against such comparisons. Inverclyde alone made a brave attempt to provide some form of comparison between its spending and that of other authorities, choosing Hamilton and Dunfermline as comparable (but omitting to say why).

Inverclyde's initiative, presumably undertaken on the basis of figures obtained directly from the two other authorities, shows that there is no reason why Scottish authorities should not co-operate to provide comparative statistics early in the new financial year for incorporation into each others annual reports. There seems, therefore, little reason for the prior publication of such statistics in Rating Review, as presupposed by the Scottish Code.
(iv) Rating Valuation

The Scottish Code calls for the inclusion in annual reports of "The rating valuation analysed in total by category of ratepayer". (para 3.3.v)

Many of these reports provided exactly these figures, and some went further and provided, for example, the number of subjects in each category as well as the total valuation, (Gordon, Banff and Buchan) comparative information for previous years (Banff and Buchan, Aberdeen), or analyses of valuations by category as a percentage of the total (Grampian).

Some other authorities, however, failed to provide an analysis by category of ratepayer (for example, Skye and Lochalsh), and over a quarter failed to provide even a total valuation.

Again, this was disappointing, and particularly inexplicable in a number of cases where the report noted the existence of the Code of Practice and claimed to conform to it.

(v) Manpower Statements

The final precise demand of the Scottish Code as regards content (other than as regards the formal Financial Statement) is for "A year-end manpower statement summarised by staff category for each service giving comparisons with the budget and with the previous financial year. Significant changes in manpower levels should be highlighted." (paragraph 3.3.vi).

About half of the reports under consideration fulfil this recommendation more or less to the letter, and almost all the others make an attempt to do so. Failures lie mostly in the provision of budget or previous year comparisons, and - inevitably - in the narrative highlighting of major variations from budget or from the previous year's figures. As with all use of narrative, the authorities showed a nervousness about this, and many preferred not even to attempt it (although, in some cases as least, they may have felt it unnecessary because of the absence of any major variations in their figures).

(vi) Financial Statements

The Scottish Code of Practice recommends the inclusion of a specific Financial Statement incorporating:

(a) a summarised revenue account

(b) a summarised capital account showing the sources of capital funds

(c) a consolidated balance sheet

(d) a statement of accounting principles and explanatory notes (para. 3.3.vii).
The equivalent English recommendation is for:

"a summary revenue account;

the consolidated balance sheet including explanatory notes;

a summary statement of the accounting policies of the
authority, including its observance or otherwise of any
accounting standards, CIPFA accounting guidelines and
voluntary codes of practice." (para 2.9)

(A summary capital account is called for elsewhere, in paragraph
2.2 of the English Code.)

The variations between these two parallel recommendations are
revealing. Particularly so is the transfer of the call for
"explanatory notes" from the consolidated balance sheet to the
statement of account principles where, in the Scottish Code, it
takes the place of the more specific and - to the consumer -
helpful recommendation of the English Code. The phrase
''explanatory notes' is extremely vague, and has been variously
interpreted (or ignored) by Scottish authorities. A few have
interpreted it in line with the specific recommendation of the
English Code, for example, Dundee: "The general principles adopted
in compiling the Accounts are those recommended by the Chartered
Institute of Public Finance and Accountancy....", or Edinburgh:
"The Accounts have been prepared in accordance with the
recommendations of the Local Authority (Scotland) Accounts Advisory
Committee and of the International Accounting Standards Committee
so far as they cover Local Authority Accounts."

But most Scottish reports do not contain this sort of information.
It is difficult to see why they should not, and why this detailed
recommendation was dropped from the Scottish Code.

Almost all the reports do, however, comply in general terms with
the recommendation for there to be a Financial Statement, and about
half the authorities thought that this meant that the various
statements mentioned should be grouped together in a more or less
separate section of the report. This was generally placed at the
back of the report, where it was frequently supplemented by a copy
of the auditor's certificate (not called for by either Code).

Other reports scattered the various statements, and several even
chose to begin with the statement of accounting principles (eg.
Sutherland, Dumbarton). Whilst this arrangement has a certain
logic, it does present something of a barrier to the lay reader,
who is likely to find both language and content extremely technical
and may well be discouraged from reading further. For this
reason, we feel that the statement of accounting principles is
better placed, as it is by most authorities, at the back of the
report.
3. Recommendations on Content

(a) We recommend that all authorities should adopt the Scottish Code of Practice with care, and treat its detailed recommendations on content as a minimum standard for their own reports.

(b) Authorities should pay particular attention to ensuring that their narrative comments on over or under-spending give reasons for the variation, rather than merely state where it occurred.

(c) More information should be provided on local authority services, including scale of provision, client group, usage and unit costs. This would enable a better measurement of the performance of each service to be made.

(d) Reports should abstain from warning about the dangers of inter-authority comparisons.

(e) Authorities should draw comparisons between themselves and other authorities on the basis of figures for the financial year under review.

(f) Reports should point to the existence of Rating Review and any other relevant source of information.

(g) Scottish local authorities should refer to the English Code of Practice when seeking to make improvements to their annual reports.

Scottish Consumer Council

July 1984.

35.
APPENDIX A

Scottish Local Authorities Who Failed to Produce An Annual Report For 1982-83 by the end of the Financial Year 1983-84

<table>
<thead>
<tr>
<th>Regions</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>7. Highland</td>
<td>192,000</td>
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<tr>
<td>9. Borders</td>
<td>100,500</td>
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<table>
<thead>
<tr>
<th>Islands</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Western Isles</td>
<td>30,500</td>
</tr>
<tr>
<td>2. Shetland</td>
<td>25,900</td>
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<tr>
<td>3. Orkney</td>
<td>18,900</td>
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</table>

<table>
<thead>
<tr>
<th>Districts</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Glasgow</td>
<td>767,400</td>
</tr>
<tr>
<td>4. Renfrew</td>
<td>206,200</td>
</tr>
<tr>
<td>6. Motherwell</td>
<td>149,900</td>
</tr>
<tr>
<td>10. Cunninghame</td>
<td>136,000</td>
</tr>
<tr>
<td>13. Kyle and Carrick</td>
<td>112,400</td>
</tr>
<tr>
<td>15. Hamilton</td>
<td>108,800</td>
</tr>
<tr>
<td>20. Midlothian</td>
<td>82,200</td>
</tr>
<tr>
<td>23. Kilmarnock &amp; Loudoun</td>
<td>81,700</td>
</tr>
<tr>
<td>24. Stirling</td>
<td>80,300</td>
</tr>
<tr>
<td>25. East Lothian</td>
<td>79,800</td>
</tr>
<tr>
<td>27. North East Fife</td>
<td>66,200</td>
</tr>
<tr>
<td>28. Argyll &amp; Bute</td>
<td>64,200</td>
</tr>
<tr>
<td>32. Inverness</td>
<td>56,400</td>
</tr>
<tr>
<td>34. Eastwood</td>
<td>54,300</td>
</tr>
<tr>
<td>35. Clydebank</td>
<td>52,400</td>
</tr>
<tr>
<td>37. Ross &amp; Cromarty</td>
<td>46,100</td>
</tr>
<tr>
<td>38. Cumnock &amp; Doon Valley</td>
<td>44,000</td>
</tr>
<tr>
<td>40. Bearsden and Milngavie</td>
<td>40,100</td>
</tr>
<tr>
<td>41. Annandale and Eskdale</td>
<td>35,600</td>
</tr>
<tr>
<td>42. Roxburgh</td>
<td>35,100</td>
</tr>
<tr>
<td>44. Wigtown</td>
<td>29,900</td>
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<td>45. Caithness</td>
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<td>47. Lochaber</td>
<td>19,200</td>
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<td>49. Tweeddale</td>
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</tr>
<tr>
<td>52. Nairn</td>
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<tr>
<td>53. Badenoch and Strathspey</td>
<td>9,500</td>
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</tbody>
</table>

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36.
APPENDIX B

Scottish Local Authorities who have published their Annual Report for 1982-83 so far during 1984-85.

<table>
<thead>
<tr>
<th>Region</th>
<th>Date Received by SCC</th>
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<tbody>
<tr>
<td>7. Highland</td>
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**Districts**

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<tr>
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<th></th>
<th></th>
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<tbody>
<tr>
<td>1.</td>
<td>Glasgow</td>
<td>21. 5.84</td>
</tr>
<tr>
<td>10.</td>
<td>Cunninghame</td>
<td>5. 6.84</td>
</tr>
<tr>
<td>23.</td>
<td>Kilmarnock &amp; Loudoun</td>
<td>(notified available end June 1984)</td>
</tr>
<tr>
<td>27.</td>
<td>North East Fife</td>
<td>11. 4.84</td>
</tr>
<tr>
<td>34.</td>
<td>Eastwood</td>
<td>15. 4.84</td>
</tr>
<tr>
<td>37.</td>
<td>Ross &amp; Cromarty</td>
<td>11. 6.84</td>
</tr>
<tr>
<td>38.</td>
<td>Cumnock &amp; Doon Valley</td>
<td>9. 4.84</td>
</tr>
<tr>
<td>45.</td>
<td>Caithness</td>
<td>26. 6.84</td>
</tr>
</tbody>
</table>
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