

City Chambers
DUNDEE
DD1 3BY

18th September, 2025

Membership

Bailie Kevin Keenan
Bailie Helen Wright
Bailie Fraser Macpherson
Bailie Christina Roberts
Bailie Derek Scott
Councillor Jimmy Black
Councillor Nadia El-Nakla
Councillor Lynne Short

Dear Colleague

I refer to the agenda of business issued in relation to the MEETING of the **SCRUTINY COMMITTEE** to be held remotely on Wednesday, 24th September, 2025 and now enclose the undernoted item of business which was not received at the time of issue.

Yours faithfully

GREGORY COLGAN

Chief Executive

4 DUNDEE CITY COUNCIL 2023/2024 - ACCOUNTS AND AUDIT

- (a) EXTERNAL AUDITOR'S REPORT TO MEMBERS OF DUNDEE CITY COUNCIL AND THE CONTROLLER OF AUDIT FOR THE YEAR TO 31ST MARCH, 2025 - Page 1

(Report No 272-2025 by the Executive Director of Corporate Services, copy attached).

- (b) DUNDEE CITY COUNCIL 2024/2025 ACCOUNTS AND AUDIT - RESPONSE TO THE EXTERNAL AUDITOR'S ANNUAL AUDIT REPORT - Page 61

(Report No 273-2025 by the Executive Director of Corporate Services, copy attached).

- (c) DRAFT AUDIT STATEMENT OF ACCOUNTS

- (i) Dundee City Council - Page 65

(Report No 274-2025 by the Executive Director of Corporate Services, copy attached).

- (d) EXTERNAL AUDITORS ANNUAL AUDIT REPORT TO TRUSTEES OF DUNDEE CITY COUNCIL TRUST FUNDS FOR THE YEAR TO 31ST MARCH, 2025 - Page 219

(Report No 278-2025 by the Executive Director of Corporate Services, copy attached).

- (e) RESPONSE TO EXTERNAL AUDITORS REPORT ANNUAL AUDIT REPORT TO TRUSTEES OF DUNDEE CITY COUNCIL TRUST FUNDS FOR THE YEAR TO 31ST MARCH, 2025 - Page 253

(Report No 279-2025 by the Executive Director of Corporate Services, copy attached).

- (f) DRAFT AUDIT STATEMENT OF ACCOUNTS

- (i) Dundee City Council Charitable Trusts - Page 257

(Report No 275-2025 by the Executive Director of Corporate Services, copy attached).

- (ii) Lord Provost of Dundee Charity Fund - Page 279

(Report No 276-2025 by the Executive Director of Corporate Services, copy attached).

- (iii) Fleming Trust - Page 291

(Report No 277-2025 by the Executive Director of Corporate Services, copy attached).

Scrutiny Committee – Audit of the 2024/25 Annual Accounts of Dundee City Council

24 September 2025

Independent auditor's report

1. Our audit work on the 2024/25 annual accounts of Dundee City Council is now substantially complete. Subject to the receipt of revised annual accounts for final review, we anticipate being able to issue an unqualified audit opinion in the independent auditor's report on 24 September 2025. The proposed audit certificate is attached for Dundee City Council and its group ([Appendix A](#)).

Annual Audit Report

2. Under International Standards on Auditing in the UK, we report specific matters arising from the audit of the annual accounts to those charged with governance of an audited body in sufficient time to enable appropriate action. For Dundee City Council, the members of the Scrutiny Committee are those charged with governance. I present for the Scrutiny Committee's consideration our proposed annual report on the 2024/25 audit. Within this report, Exhibit 2 titled "Significant findings and key matters" sets out the issues identified in respect of the Dundee City Council annual accounts.

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

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

Unadjusted misstatements

5. We are required to report to those charged with governance all unadjusted misstatements, other than those below our reporting threshold, and request that they be corrected. As detailed in our Annual Audit Report, reportable errors totalling £8.5 million were identified during the audit. Management of the council processed audit adjustments for all misstatements identified greater than the reporting threshold. As a result, there are no uncorrected misstatements to report.

Fraud, subsequent events, and compliance with laws and regulations

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

Representations from Section 95 Officer

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

8. A template letter of representation is attached for Dundee City Council ([Appendix B](#)). The letter of representation for the council should be signed and returned to us by the

Section 95 Officer with the signed annual accounts prior to the independent auditor's report being certified.

Acknowledgement

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

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

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

Reporting on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of Dundee City Council and its group for the year ended 31 March 2025 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the council-only Expenditure and Funding Analysis, the group and council-only Comprehensive Income and Expenditure Statements, Movement in Reserves Statements, Balance Sheets, and Cash Flow Statements, the council-only Council Tax Income Account, Non-Domestic Rate Income Account, Housing Revenue Account, Common Good Fund Account and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the 2024/25 Code).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the council and its group as at 31 March 2025 and of the income and expenditure of the council and its group for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

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

that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

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

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

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

Risks of material misstatement

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

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

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

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

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

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

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

- using my understanding of the local government sector to identify that the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003 are significant in the context of the council and its group;
- inquiring of the Executive Director of Corporate Services as to other laws or regulations that may be expected to have a fundamental effect on the operations of the council and its group;
- inquiring of the Executive Director of Corporate Services concerning the policies and procedures of the council and its group regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

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

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

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

Reporting on other requirements

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

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

Other information

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

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

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

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

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

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which I required to report by exception

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

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

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of my report

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

Rachel Browne CPFA

Audit Director

Audit Scotland

4th Floor

102 West Port

Edinburgh

EH3 9DN

[The date will be inserted automatically on date of signing]

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Appendix B: Letter of Representations (ISA (UK) 580)

To be reproduced on Dundee City Council headed paper, signed by Section 95 Officer and provided to appointed auditor with signed 2024/25 Annual Accounts

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

Dear Rachel

Dundee City Council Annual Accounts 2024/25

1. This representation letter is provided in connection with your audit of the annual report and accounts of Dundee City Council and its group for the year ended 31 March 2025 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view and have been properly prepared, and for expressing other opinions on the Annual Remuneration Report, Management Commentary, and Annual Governance Statement.

2. I confirm to the best of my knowledge and belief, and having made such enquiries as I considered necessary, the following representations given to you in connection with your audit of Dundee City Council's annual accounts for the year ended 31 March 2025.

General

3. I have fulfilled my responsibilities for the preparation of the 2024/25 annual accounts as set out in your 2024/25 Annual Audit Plan. All the accounting records, documentation, and other matters which I am aware are relevant to the preparation of the annual accounts have been made available to you for the purposes of your audit. All transactions undertaken by Dundee City Council have been recorded in the accounting records and are properly reflected in the financial statements.

4. I confirm that as you have reported, there are no uncorrected misstatements.

Financial Reporting Framework

5. The annual accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (2024/25 Code), and the requirements of the Local Government (Scotland) Act 1973, the Local Government in Scotland Act 2003, and the Local Authority Accounts (Scotland) Regulations 2014.

6. In accordance with the Local Authority Accounts (Scotland) Regulations 2014, I have ensured that the financial statements give a true and fair view of the financial position of Dundee City Council at 31 March 2025 and the transactions for 2024/25.

Accounting Policies and Estimates

7. All material accounting policies applied are as shown in the note included in the financial statements. The accounting policies are determined by the 2024/25 Code, where applicable. Where the 2024/25 Code does not specifically apply, I have used judgement in developing and applying an accounting policy that results in information that is relevant and reliable. All accounting policies applied are appropriate to Dundee City Council's circumstances and have been consistently applied.

8. The methodology, significant assumptions, and data used in making accounting estimates are reasonable, and have been properly reflected and disclosed in the financial statements in accordance with the 2024/25 Code. Judgements made in making estimates have been based on the latest available and reliable information. Estimates have been revised where there are changes in the circumstances on which the original estimate was based or as a result of new information or experience.

Going Concern Basis of Accounting

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

Assets

10. All assets at 31 March 2025 of which I am aware have been reported in the financial statements.

11. Where a rolling programme of asset valuations has been used, I have satisfied myself that the carrying amount of assets at 31 March 2025 does not differ materially from that which would be determined if a revaluation had been carried out at that date.

12. I carried out an assessment at 31 March 2025 as to whether there is any indication that an asset may be impaired and have recognised any impairment losses identified in the financial statements.

13. I have provided you with all information of which I am aware regarding any valuation exercises carried out after 31 March 2025.

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

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

Liabilities

16. All liabilities at 31 March 2025 of which I am aware have been reported in the financial statements.

17. Provisions have been recognised in the financial statements for all liabilities of uncertain timing or amount at 31 March 2025 of which I am aware where the conditions specified in IAS 37, as adapted by the 2024/25 Code, have been met. The amount recognised as a provision is the best estimate of the expenditure likely to be required to settle the obligation at 31 March 2025. Where the effect of the time value of money is

material, the amount of the provision has been discounted to the present value of the expected payments.

18. Provisions recognised in previous years have been reviewed and adjusted, where appropriate, to reflect the best estimate at 31 March 2025, or to reflect material changes in the assumptions underlying the calculations of the provisions.

19. The accrual recognised in the financial statements for annual leave untaken by 31 March 2025 has been estimated on a reasonable basis.

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

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

Contingent Liabilities

22. There are no significant contingent liabilities, other than those disclosed in Note 34 to the financial statements, arising either under formal agreement or through formal undertakings requiring disclosure in the financial statements. All known contingent liabilities have been fully and properly disclosed in accordance with IAS 37, as adopted by the 2024/25 Code.

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

Litigation and Claims

24. All known actual or possible legal claims have been disclosed to you and have been accounted for and disclosed in the financial statements in accordance with the 2024/25 Code.

Fraud

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

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

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

Laws and Regulations

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

Related Party Transactions

28. All material transactions with related parties have been appropriately accounted for and disclosed in the financial statements in accordance with IAS 24, as adopted by the 2024/25 Code. I have made available to you the identity of all of Dundee City Council's related parties and all the related party transactions of which I am aware.

Annual Remuneration Report

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

Management Commentary

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

Corporate Governance

31. I confirm Dundee City Council has undertaken a review of the system of internal control during 2024/25 to establish the extent to which it complies with proper practices set out in *Delivering Good Governance in Local Government: Framework 2016*. I have disclosed to you all deficiencies in internal control identified from this review or of which I am otherwise aware.

32. I confirm that the Annual Governance Statement has been prepared in accordance with the *Delivering Good Governance in Local Government: Framework 2016* and the information is consistent with the financial statements. There have been no changes in the corporate governance arrangements, or issues identified, since 31 March 2025 which require to be reflected in the Annual Governance Statement or annual accounts.

Group Accounts

33. I have identified all the other entities in which Dundee City Council has an interest and have classified and accounted for them in accordance with the 2024/25 Code. Any significant issues, including those related to fraud and any qualified audit opinions, in relation to the financial statements of group entities, have been provided to you. Any significant issues identified by you as group auditor have been communicated to management of group components, where relevant to those components.

Events Subsequent to the Date of the Balance Sheet

34. All events subsequent to 31 March 2025 for which IAS 10, as adopted by the 2024/25 Code, requires adjustment or disclosure have been adjusted or disclosed.

Yours sincerely

Paul Thomson
Executive Director of Corporate Services

Dundee City Council

2024/25 Annual Audit Report



Prepared for Dundee City Council and the Controller of Audit
September 2025

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Accessibility

You can find out more and read this report using assistive technology on our website www.audit.scot/accessibility.

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Key messages

Audit of the annual accounts

- 1 All audit opinions stated that the annual accounts were free from material misstatement.
- 2 Adjustments totalling £8.5 million were made in relation to the implementation of IFRS 16 and the valuation of operational land and buildings.

Wider scope audit

- 3 The council's budget setting and financial management arrangements operated effectively during 2024/25.
- 4 Medium term financial plans show an estimated budget gap for 2025/26 of £15.6 million with a cumulative budget gap over the three years 2025-28 of £33 million.
- 5 The council has provided a longer-term forecast showing the gap over a ten-year period has increased to £81 million from £53 million in the previous year.
- 6 The council has an established performance framework which aligns with the Council Plan. Progress against the Council Plan priority areas is generally positive with 68 per cent of the performance indicators within 5 per cent of the target identified in the plan.

Best Value audit

- 7 The council has effective and appropriate arrangements in place for securing Best Value.
- 8 The Best Value thematic report on service transformation states that the council is currently in phase six of its transformation programme, which is reported to have delivered nearly £70 million in savings since 2010. However, the report highlights that the council could improve how it communicates its transformation activities to elected members and the public
- 9 The council has 34% of indicators in the top two quartiles of the Local Government Benchmarking Framework indicators for 2023/24, a slight

decrease from the prior year. Although the council's overall comparative performance remains at similar levels to 2019/20, the number of indicators which are in the bottom quartile shows clear improvement over the 5-year period. However, educational attainment measures generally remain in the bottom two quartiles.

Introduction

Purpose of the Annual Audit Report

1. The purpose of this Annual Audit Report is to report the significant matters identified from the 2024/25 audit of Dundee City Council's annual accounts and the wider scope areas specified in the [Code of Audit Practice \(2021\)](#).
2. The Annual Audit Report is addressed to Dundee City Council, hereafter referred to as 'the council', and the Controller of Audit and will be published on [Audit Scotland's website](#) in due course.

Appointed auditor and independence

3. Rachel Browne, of Audit Scotland, has been appointed as external auditor of the council for the period from 2023/24 until 2026/27. As reported in the Annual Audit Plan, Rachel Browne as engagement lead and the audit team are independent of the council in accordance with relevant ethical requirements, including the Financial Reporting Council's Ethical Standard. There have been no developments since the issue of the Annual Audit Plan that impact on the continued independence of the engagement lead or the rest of the audit team from the council, including no provision of non-audit services.

Acknowledgements

4. We would like to thank the council and its staff, particularly those involved in preparation of the annual accounts, for their cooperation and assistance during the audit. We look forward to working together constructively over the remainder of the five-year audit appointment.

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Audit scope and responsibilities

Scope of the audit

5. The audit is performed in accordance with the Code of Audit Practice, including supplementary guidance, International Standards on Auditing (ISA) (UK), and relevant legislation. These set out the requirements for the scope of the audit which includes:

- An audit of the financial statements and an opinion on whether they give a true and fair view and are free from material misstatement.
- An opinion on statutory other information published with the financial statements in the annual accounts, namely the Management Commentary and Annual Governance Statement.
- An opinion on the audited part of the Remuneration Report.
- Conclusions on the council's arrangements in relation to the wider scope areas: Financial Management; Financial Sustainability; Vision, Leadership and Governance; and Use of Resources to Improve Outcomes.
- Reporting on the council's arrangements for securing Best Value.
- Providing assurance on the Housing Benefit Subsidy Claim, Non-Domestic Rates Return and Whole of Government Accounts.
- A review of the council's arrangements for preparing and publishing statutory performance information.
- Provision of this Annual Audit Report.

Responsibilities and reporting

6. The Code of Audit Practice sets out the respective responsibilities of the council and the auditor. A summary of the key responsibilities is outlined below.

Auditor's responsibilities

7. The responsibilities of auditors in the public sector are established in the Local Government (Scotland) Act 1973. These include providing an independent opinion on the financial statements and other information reported within the annual accounts and concluding on the council's arrangements in place for the wider scope areas and Best Value.

8. The matters reported in the Annual Audit Report are only those that have been identified by the audit team during normal audit work and may not be all that exist. Communicating these does not absolve the council from its responsibilities outlined below.

9. The Annual Audit Report includes an agreed action plan at [Appendix 1](#) setting out specific recommendations to address matters identified and includes details of the responsible officer and dates for implementation.

The council's responsibilities

10. The council has primary responsibility for ensuring proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety, and regularity that enables it to successfully deliver its objectives. The features of proper financial stewardship include:

- Establishing arrangements to ensure the proper conduct of its affairs.
- Preparation of annual accounts, comprising financial statements for the council and its group that gives a true and fair view and other specified information.
- Establishing arrangements for the prevention and detection of fraud, error and irregularities, and bribery and corruption.
- Implementing arrangements to ensure its financial position is soundly based.
- Making arrangements to secure Best Value.
- Establishing an internal audit function.

National performance audit reporting

11. The Auditor General for Scotland and the Accounts Commission regularly publish performance audit reports. These cover a range of matters, many of which may be of interest to the council and Scrutiny Committee. Details of national and performance audit reports published over the last year can be seen in [Appendix 2](#).

Audit of the annual accounts

Main judgements

All audit opinions stated that the annual accounts were free from material misstatement.

Adjustments totalling £8.5 million were made in relation to the implementation of IFRS 16 and the valuation of operational land and buildings.

Audit opinions on the annual accounts

12. The council and its group's annual accounts were approved by the Scrutiny Committee on 24 September 2025 and certified by the appointed auditor on the same day. The Independent Auditor's Report is included in the Council's annual accounts, and this reports that, in the appointed auditor's opinion, these were free from material misstatement.



Audit timetable

13. The unaudited annual accounts and all working papers were received on 30 June 2025 in accordance with the agreed audit timetable. Working papers received were generally of an appropriate quality.

Audit Fee

14. The audit fee for the 2024/25 audit was reported in the Annual Audit Plan and was set at £456,600. We have charged an additional fee of £2,503 for the additional work on non-current asset valuations (see [Exhibit 2 item 1](#)). As a result, the total audit fee charged for the 2024/25 audit is £459,103.

Materiality

15. The concept of materiality is applied by auditors in planning and performing an audit, and in evaluating the effect of any uncorrected misstatements on the financial statements or other information reported in the annual accounts.

16. Broadly, the concept of materiality is to determine whether misstatements identified during the audit could reasonably be expected to influence the decisions of users of the annual accounts. Auditors set a

monetary threshold when determining materiality, although some issues may be considered material by their nature. Therefore, materiality is ultimately a matter of the auditor's professional judgement.

17. Materiality levels for the audit of the council and its group were determined at the risk assessment phase of the audit and were reported in the Annual Audit Plan, which also reported the judgements made in determining materiality levels. These were reassessed on receipt of the unaudited annual accounts. Materiality levels were updated and these can be seen in [Exhibit 1](#).

Exhibit 1

2024/25 Materiality levels for the council and its group

Materiality	The council	Group
Materiality – set at 2% of Gross Expenditure	£18.1 million	£18.3 million
Performance materiality – set at 50% of materiality. As outlined in the Annual Audit Plan, this acts as a trigger point. If the aggregate of misstatements identified during the audit exceeds performance materiality, this could indicate further audit procedures are required.	£9.05 million	£9.15 million
Reporting threshold – all misstatements greater than the reporting threshold will be reported.	£0.5 million	£0.5 million

Source: Audit Scotland

Significant findings and key audit matters

18. ISA (UK) 260 requires auditors to communicate significant findings from the audit to those charged as governance, which for the council is the Scrutiny Committee.

19. The Code of Audit Practice also requires public sector auditors to communicate key audit matters. These are the matters that, in the auditor's professional judgement, are of most significance to the audit of the financial statements and require most attention when performing the audit.

20. In determining key audit matters, auditors consider:

- Areas of higher or significant risk of material misstatement.

- Areas where significant judgement is required, including accounting estimates that are subject to a high degree of estimation uncertainty.
- Significant events or transactions that occurred during the year.

21. The significant findings and key audit matters to report are outlined in [Exhibit 2](#).

Exhibit 2

Significant findings and key audit matters

Significant findings, key audit matters and outcomes

1 - Revaluation of Operational Land and Buildings

The Code of Practice on Local Authority Accounting (the Code) requires that carrying amount of an item of property, plant and equipment should reflect its current value. The current value measurement basis for operational land and buildings (OLB) is an existing use value where an active market for the asset exists. In case where there is no active market, the Code permits use of a depreciated replacement cost (DRC) approach to estimate current value.

In order to meet Code requirements, the council operates a five-year programme of rolling valuations. These revaluations are undertaken by an in-house team of RICS qualified valuers.

The unaudited annual accounts reported an overall carrying value for other land and buildings of £1,028 million, of which £69 million of assets, mainly industrial and shop units, were formally revalued during 2024/25.

Management are responsible for the direction of the valuation process and provide the valuer with detailed formal instruction as to how they wish the valuation to be carried out. Management also provide the valuer with a spreadsheet of all the assets to be valued into which the valuer adds the valuation total for each asset. This is then used to update the asset register, from which the annual accounts are derived.

We reviewed a sample of assets and were satisfied that measurement bases were appropriate and the data and assumptions used in the 2024/25 valuation process were reasonable.

However, we identified a discrepancy between the valuer's detailed workings and the amount included in the unaudited accounts for one asset. A further sample of assets was selected and we found a further three assets with a similar error and one duplicate asset. The net impact of these errors was an overstatement in the valuation of £0.1 million.

Outcome:

We extrapolated the value of the errors identified in our testing across the value of all assets revalued in the year and identified a potential overstatement of £0.4 million. As this is below our reporting threshold, management have chosen not to amend the annual accounts for this. We have however included two recommendations at [Appendix 1](#) to address the issues identified ([Recommendations 1 and 2](#))

Significant findings, key audit matters and outcomes

2 - Valuation of Operational Land and Buildings, not formally revalued in year

The carrying amount of an item of property, plant and equipment should reflect its current value. However, the Code of Practice on Local Authority Accounting (the Code) does not explicitly require an annual revaluation. Instead, revaluations are required to be made with sufficient regularity to ensure that the carrying amount does not differ materially from the current value. The Code permits a maximum interval of five years between valuations but that is only appropriate where the change in value in the intervening period is not significant. Therefore, more frequent valuations are required for assets that experience significant annual changes in value.

The unaudited annual accounts reported an overall carrying value for other land and buildings of £1,028 million, of which £69 million of assets were formally revalued during 2024/25. Of the remaining £959 million of assets, some elements had not been valued for up to 4 years, in accordance with the accounting policy of the council. We considered the council's approach to ensuring that the carrying value of these assets was not materially mis-stated.

A desktop exercise was carried out on 26 major assets with a valuation of £623 million which are valued using the depreciated replacement cost methodology. We were satisfied that the council's approach was based on a reasonable indexation factor and other inputs.

For assets which are valued using the open market valuation approach (mainly offices), the council discussed with the valuer the potential for market movements and identified that there would have been no material valuation movement. Our review of the market evidence agreed with this conclusion, however as depreciation had been charged on these assets this resulted in the valuation being understated by £5.1m.

Outcome:

Management corrected the audited 2024/25 annual accounts to reflect the current valuations of offices.

3 - Valuation of Council Dwellings

In accordance with the Code of Practice on Local Authority Accounting, the basis for valuation of dwellings is existing use value for social housing (EUV-SH). As part of the council's rolling 5-year valuation programme for property, the council's housing stock was last revalued in 2023/24.

To ensure that the carrying amount of dwellings reflected the current value, the council considered the advice of the professional valuer and undertook a review of the market conditions which impact on the EUV-SH. This concluded that there was no material change in the valuation. This was reflected in the unaudited accounts with the total net value of dwellings of £508.3 million included.

Outcome:

We reviewed the evidence used by the council to form this judgement other publicly available market data and were satisfied that there was no material movement in the overall valuation.

Significant findings, key audit matters and outcomes

4 - Implementation of IFRS16 accounting requirements for service concession arrangements and other leases

The implementation of International Financial Reporting Standard 16: Leases (IFRS16) is mandatory for local government bodies from 2024/25. Under IFRS16, a lessee is required to recognise right-of-use (RoU) assets and associated lease liabilities on the Balance Sheet.

As part of our audit work, we considered the arrangements used by management to identify potential lease arrangements and concluded that these were appropriate. At 31 March 2025, the council recognised RoU assets of £2 million with a corresponding lease liability in the balance sheet. We reviewed the adjustments and disclosures made by the council and confirmed that these were in line with the standard and guidance.

In addition to leases, IFRS16 applies to service concession arrangements. These are more commonly known as Public Private Partnership (PPP) schemes where a private sector operator uses an asset to provide a public service and is paid over the period of the arrangement. The council has 3 such schemes: Schools PPP, Baldragon DBFM and Baldovie Waste Plant.

IFRS16 requires the service concession lease liability to be remeasured to include indexation changes over the period of the lease. Previously such charges had been treated as expenses in the year. An opening balance adjustment at 1 April 2024 was therefore required to account for the change. Changes in the liability also require a compensating change in the value of the associated asset, which should then be adjusted to reflect the asset's current value.

Using CIPFA guidance, the Finance team reviewed the service concession financial models to calculate the change in lease liability. These were shared with us for comment and an agreed position was identified ahead of preparation of the unaudited accounts.

We reviewed the accounting entries and narrative disclosures in the unaudited accounts and whilst these were generally satisfactory, we found that the adjustment to the value of the Baldovie Waste Plant asset of £3.4m was written off to the Revaluation Reserve, when it should have been written off to the Comprehensive Income and Expenditure Statement (CIES).

Outcome:

Management corrected the audited 2024/25 annual accounts to reflect the correct accounting treatment for the Baldovie Waste Plant.

Significant findings, key audit matters and outcomes

5 – Infrastructure assets

Infrastructure assets are those that can only ever be used for the purpose they were originally constructed, i.e. there is no prospect of sale or alternative use. Typical examples include roads, bridges, street lighting and coastal defences.

The Code includes a statutory override so that local authorities are not required to report the gross book value and accumulated depreciation for infrastructure assets. This temporary relief is applied from the 2021/22 Code up to and including the 2024/25 Code. This statutory override has been introduced to the Code because historical information deficits mean that this information is unlikely to faithfully represent what it purports to represent.

We identified that the infrastructure asset relating to the Dry Dock associated with Discovery Point was not included in the council's asset register. Whilst we accepted the council's view that as this asset has been in place for over 30 years it would now be fully depreciated and therefore there was no misstatement in the unaudited accounts, the council could provide no evidence of the gross value of the asset and actual accumulated depreciation charged.

The statutory override is expected to be extended until 31 March 2027. However, after this time, the council will be required to report gross book value and accumulated depreciation for infrastructure assets. Ahead of this, the council will be required to ensure that it can identify all infrastructure assets that remain in use, including any which are no longer held on the asset register, and hold the relevant financial information required for each individual asset.

Outcome:

We have included a recommendation at [Appendix 1](#) to address this issue. See [Recommendation 3](#).

Significant findings, key audit matters and outcomes

6 - Group Accounts

Group financial statements are those in which the assets, liabilities, reserves, income, expenses and cash flows of a parent body and its subsidiaries, plus its investments in associates and interests in joint ventures, are presented as those of a single economic entity. The council consolidates its material group components in group accounts included in the financial statements.

The unaudited Dundee City Council group accounts were prepared using unaudited accounts for each material component or other financial information which was available to meet the required timetable. The audit process identified the following issues:

- Tayside Valuation Joint Board (TVJB) was included in the group accounts following a significant increase in the component's net assets. Following review, it was identified that there was an error in the TVJB unaudited accounts which resulted in TVJB falling below the council's de-minimis level for inclusion in the group accounts.
- The council's share of the net assets of Dundee City Integration Joint Board had been omitted from the unaudited accounts in error.
- The council received additional information from Tayside Contracts Joint Committee after the Dundee City Council unaudited accounts had been authorised for issue.

The net impact of these changes, and changes to the council-only accounts for the impact of findings 1-4 above, resulted in decrease in Group Total Comprehensive Income and Expenditure of £1.3m, and an increase in Net Assets of £5.2 million.

Outcome:

Management have corrected the audited 2024/25 group accounts to reflect these amendments.

Source: Audit Scotland

Qualitative aspects of accounting practices

22. ISA (UK) 260 also requires auditors to communicate their view about qualitative aspects of the council's accounting practices, including accounting policies, accounting estimates, and disclosures in the financial statements.

Accounting policies

23. The appropriateness of accounting policies adopted by the council was assessed as part of the audit. These were considered to be appropriate to the circumstances of the council, and there were no significant departures from the accounting policies set out in the Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

Accounting estimates

24. Accounting estimates are used in number of areas in the council's financial statements, including the valuation of dwellings and other land and buildings assets and the valuation of the pension liability. Audit work considered the process management of the council has in place around making accounting estimates, including the assumptions and data used in making the estimates, and the use of any management experts. Audit work concluded:

- There were no issues with the selection or application of methods, assumptions, and data used to make the accounting estimates, and these were considered to be reasonable.
- There was no evidence of management bias in making the accounting estimates.

25. Details of the audit work performed and the outcome of the work on accounting estimates that gave rise to significant risks of material misstatement are outlined in [Exhibit 5](#).

Disclosures in the financial statements

26. The adequacy of disclosures in the financial statements was assessed as part of the audit and these were found to be generally appropriate. However, the accounts run to over 150 pages, including a Management Commentary which is more than 20 pages long. There is scope to streamline the level of detail in the annual accounts. The Code of Practice on Local Authority Accounting 2024-25 requires that *'financial statements should only include disclosures that are material to the presentation of a 'true and fair' view of the financial position, financial performance and cash flows of the authority and to the understanding of users of the financial statements'*. Audit Scotland has previously published a Good Practice Note to support improvements in management commentaries. As a result of these issues, the following recommendation has been made, with further details outlined in [Appendix 1](#).

Recommendation 4

Review of Annual Accounts

The council should undertake a full review of the annual accounts to ensure that they meet the Code requirement to only include material information. Use should also be made of Audit Scotland's Good Practice Notes to support this review.

Group audit

27. The council is part of a group and prepares group financial statements. The group is made up of 7 components, including the council which is the parent of the group. As outlined in the Annual Audit Plan, audit work was required on a number of the group's components for the purposes of the group audit, and this work was performed by a combination of the audit team and the components' audit teams. Group audit instructions were issued to component auditors, where required, to outline the expectations and requirements in performing the audit work for the purposes of the group audit. The audit work performed on the group's components is summarised in [Exhibit 3](#).

Exhibit 3 Summary of audit work on the group's components

Group component	Auditor and audit work required	Summary of audit work performed
Dundee City Council	Audit Scotland Full scope audit of the council's annual accounts.	The outcome of audit work performed is reported within the Annual Audit Report, with details of significant findings and key audit matters reported in Exhibit 2.
Leisure and Culture Dundee	Henderson Loggie Analytical procedures at group level	Analytical procedures at the group level were performed by the audit team, and no significant issues were identified.
Dundee City Common Good Fund	Audit Scotland Analytical procedures at group level	Analytical procedures at the group level were performed by the audit team, and no significant issues were identified.
Fleming Trust	Audit Scotland Analytical procedures at group level	Analytical procedures at the group level were performed by the audit team, and no significant issues were identified.
Tayside Contracts	Audit Scotland Analytical procedures at group level	Analytical procedures at the group level were performed by the audit team, and no significant issues were identified.

Group component	Auditor and audit work required	Summary of audit work performed
Dundee City Integration Joint Board	Audit Scotland Analytical procedures at group level	Analytical procedures at the group level were performed by the audit team, which identified that net assets had not been included in the group accounts. We comment further on this at Item 6 in Exhibit 2 above.
Tayside Valuation Joint Board	Audit Scotland Analytical procedures at group level	Analytical procedures at the group level were performed by the audit team, which identified a significant rise in Net Assets. We comment further on this at Item 6 in Exhibit 2 above.

Source: Audit Scotland

28. ISA (UK) 600 requires auditors to report the following matters if these are identified or encountered during an audit:

- any instances where review of a component auditor's work gave rise to issues and how this was resolved.
- any limitations on the group audit.
- any frauds or suspected frauds involving group or component management.

29. No such matters were identified as part of our audit of the group accounts.

Significant matters discussed with management

30. All significant matters identified during the audit and discussed with the council's management have been reported in the Annual Audit Report.

Audit adjustments

31. Audit adjustments were required to the financial statements to correct misstatements that were identified from the audit. Details of all audit adjustments greater than the reporting threshold of £0.5 million are outlined in [Exhibit 4](#).

Exhibit 4

Audit adjustments

Details	Comprehensive Income and Expenditure Statement (CIES)		Balance Sheet	
	Dr	Cr	Dr	Cr
Audit adjustments to financial statements	£000	£000	£000	£000

1. IFRS 16 implementation

Following introduction of IFRS16, the increase in the liability for the Waste Plant Service Concession has been accounted for by creating a new asset for the value of the increase of £3.4m which has subsequently been written off to Revaluation Reserve. However, there is zero balance in Revaluation Reserve for Waste Plant assets and therefore the full total of increase £3.4m requires to be written off to CIES.

Other Comprehensive Income and Expenditure	3,352			
Reserves				3,352

2. Valuation of Other Land & Buildings - Offices

The council have considered that there is no material movement in the valuation of Offices in year. This is supported by external evidence. However, depreciation has been charged in 2 years since last formal revaluation - total of £5.1m. Therefore, the total value of Offices is potentially understated by this amount.

Other Comprehensive Income and Expenditure		5,116		
Net Assets			5,116	
Net impact on financial statements	3,352	5,116	5,116	3,352

Source: Audit Scotland

32. Management of the council processed audit adjustments for all misstatements identified greater than the reporting threshold. As a result, there are no uncorrected misstatements to report.

Significant risks of material misstatement identified in the Annual Audit Plan

33. Audit work has been performed in response to the significant risks of material misstatement identified in the Annual Audit Plan. The outcome of audit work performed is summarised in [Exhibit 5](#).

Exhibit 5

Significant risks of material misstatement to the financial statements

Risk of material misstatement	Planned audit response	Outcome of audit work
Fraud caused by management override of controls Management is in a unique position to perpetrate fraud because of management's ability to override controls that otherwise appear to be operating effectively.	The audit team will: • Evaluate the design and implementation of controls over journal entry processing. • Make inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries. • Test journals entries, focusing on those that are assessed as higher risk, such as those affecting revenue and expenditure recognition around the year-end. • Evaluate significant transactions outside the normal course of business. • Assess the adequacy of controls in place for identifying and disclosing related party relationships and transactions in the financial statements. • Assess changes to the methods and underlying assumptions used to prepare accounting estimates and assess these for evidence of management bias.	Audit work performed found: • The design and implementation of controls over journal processing were appropriate. • No inappropriate or unusual activity relating to the processing of journal entries was identified from discussions with individuals involved in financial reporting. • No significant issues were identified from testing of journal entries. • No significant issues were identified from transactions outside the normal course of business. • The controls in place for identifying and disclosing related party relationships and transactions were adequate. • No significant issues were identified with changes to methods and underlying assumptions used to prepare accounting estimates and there was no evidence of management bias. Conclusion: no evidence of fraud caused by management override of controls.

Risk of material misstatement	Planned audit response	Outcome of audit work
Valuation of Dwellings The council held £508m of dwellings assets at 31 March 2024. The valuations of dwellings are significant estimates. Valuations are based on a specialist beacon approach and management assumptions, changes in which can result in material changes to valuations. Dwellings were revalued during 2023/24 as part of the council's 5 year rolling programme. Values may also change year on year, and it is important that the council ensures the financial statements accurately reflect the value of dwellings.	The audit team will: • Review management's assessment that the value in the balance sheet of assets not subject to a valuation process in 2024/25 is not materially different to current value at the year-end, and challenge this where required.	Audit work performed found: • Management's conclusion that there had been no valuation movement was supported by the view of the professional valuer and available market evidence. Conclusion: the valuation of dwellings is not materially misstated.

Risk of material misstatement	Planned audit response	Outcome of audit work
Valuation of Operational Land and Buildings (OLB) The council held £1,043m of other land and buildings assets at 31 March 2024. The council is required to value OLB assets at existing use value where an active market exists for these assets. Where there is no active market, these assets are valued on a depreciated cost replacement (DRC) basis. As a result, there is a significant degree of subjectivity in these valuations which are based on specialist assumptions, and changes in the assumptions can result in material changes to valuations. All OLB assets are revalued on a five-year rolling basis. Values may also change year on year, and it is important that the council ensures the financial statements accurately reflect the value of OLB.	The audit team will: • Evaluate the design and implementation of controls over the valuation process. • Review the information provided to the valuer and assess this for completeness and accuracy. • Evaluate the competence, capabilities, and objectivity of the valuer. • Obtain an understanding of management's involvement in the valuation process to assess if appropriate oversight has occurred. • Review the appropriateness of the key data and assumptions used in the 2024/25 valuation process, and challenge these where required. • Review management's assessment that the value in the balance sheet of assets not subject to a valuation process in 2024/25 is not materially different to current value at the year-end, and challenge this where required.	Audit work performed found: • The design and implementation of controls over the valuation process were appropriate. • The information provided to the valuer was accurate and complete. • The valuer had sufficient competence, capability, and objectivity to perform their work. • Management have an appropriate level of oversight of the valuation process. • The data and assumptions used in the 2024/25 valuation process were appropriate. • Management's assessment of assets not subject to a valuation process in 2024/25, including an indexation exercise on significant DRC assets, was reasonable. However, we identified an accounting error resulting in an understatement. Refer to issue 2 in Exhibit 2. Conclusion: the valuation of OLB is not materially misstated.

Source: Audit Scotland

Prior year recommendations

34. The council has made progress in implementing some of the agreed prior year audit recommendations, but further work is required. For actions not yet implemented, revised responses and timescales have been agreed with the council and are outlined in [Appendix 1](#).

Wider scope audit

Conclusion

The council's budget setting and financial management arrangements operated effectively during 2024/25.

Medium term financial plans show an estimated budget gap for 2025/26 of £15.6 million with a cumulative budget gap over the three years 2025-28 of £33 million.

The council has provided a longer-term forecast showing the gap over a ten-year period has increased to £81 million from £53 million in the previous year.

The council has an established performance framework which aligns with the Council Plan. Progress against the Council Plan priority areas is generally positive with 68 per cent of the performance indicators within 5 per cent of the target identified in the plan.

Audit approach to wider scope

Wider scope

35. As reported in the Annual Audit Plan, the wider scope audit areas are:

- Financial Management.
- Financial Sustainability.
- Vision, Leadership and Governance.
- Use of Resources to Improve Outcomes.

36. Audit work is performed on these four areas and a conclusion on the effectiveness and appropriateness of arrangements the council has in place for each of these is reported in this chapter.

Conclusions on wider scope audit

Financial Management

37. The audit work performed on the arrangements the council has in place for securing sound financial management found that these were

effective and appropriate, apart from two IT issues as noted in [paragraphs 38](#) and [39](#) below. This judgement is evidenced by the council:

- having a system of internal control in place that is operating effectively and has no significant weaknesses or deficiencies.
- having clear and up-to-date policies and procedures, for example, financial regulations and scheme of delegation, in place that ensure effective financial management.
- having clear and up-to-date policies in place for preventing and detecting fraud and other irregularities, and participation in fraud prevention and detection activities such as the National Fraud Initiative (NFI).
- having suitably qualified and experienced staff leading the finance function, which has sufficient skills, capacity, and capability to effectively fulfil its role.
- having a well-resourced Internal Audit service who undertake a wide range of reviews, the results of which allowed the Chief Internal Auditor to provide their opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the council's framework of governance, risk management and control for the year to 31 March 2025.
- having effective arrangements in place for the scrutiny of arrangements that support sound financial management, and effective scrutiny and challenge provided by the Scrutiny Committee.

38. Two of the council's key financial systems – Resourcelink (payroll) and Mosaic (care management) – are cloud-based systems hosted externally by the respective software providers. Good practice requires that the council should seek regular confirmation from the provider over the integrity and security of the data held externally. We found however that such assurances are not routinely obtained by the council. There is a risk that key financial and personal data could become compromised or even completely lost.

Recommendation 5

Externally hosted financial and other systems

Where key council systems are externally hosted by the software provider, the council should seek regular confirmation from the provider over the integrity and security of the data held on the system.

39. Data held on the Resourcelink (Payroll) system was migrated in February 2024 to a cloud-based environment externally hosted by the software supplier. We were not informed about this move at the time and on identifying this, we requested evidence that the data migration had been successfully completed. We were advised that the staff who undertook the exercise had since left the council and no evidence was available of any review carried out at the time to confirm the accuracy and completeness of the data migration.

40. In response to this, we reviewed the controls the council has put in place to ensure the accuracy of payroll data including approval of new starts and leavers, establishment checks and update to standing data such as pay rates and found these to be operating as expected. We undertook our own testing of staff existence and found this to be satisfactory. Our substantive testing of payroll totals confirmed totals were as expected. We therefore concluded that the data migration was correctly implemented.

Financial Sustainability

41. The audit work performed on the arrangements the council has in place for securing financial sustainability found that these were generally effective and appropriate. This judgement is evidenced as set out in the remainder of this section.

42. A Budget Strategy and Financial Outlook 2025/26 paper was presented to the City Governance Committee on 28 October 2024. This provided members with updated medium-term financial projections and set out a strategy to address the projected budget shortfall for 2025/26. This showed an estimated budget gap for 2025/26 of £15.6 million with a cumulative budget gap over the three years 2025-28 of £25 million.

43. The council carried out an extensive budget consultation exercise as part of the development of the 2025/26 revenue budget. The online survey was made available via the council's website and paper versions were made available in libraries and community centres with support available from staff if required.

44. During the consultation period the council had regular promotion of the exercise to encourage feedback. Along with some more general questions, respondents were asked for their views on the impact of a number of proposals which had been developed to address the budget gap. There were 3,571 responses to the questionnaire. A detailed report of the results was included along with the budget papers and provided elected members with a clear understanding of the views of citizens ahead of final agreement of the budget.

45. During development of the 2025/26 revenue budget, the position was revised and as reported in the budget papers of February 2025, the projected cumulative budget gap for the period to 2028 has deteriorated and is now predicted as £33 million. The council also provided a longer-

term forecast of the budget gap up in the 10 years to 2035 of around £81 million, which equates to 16 per cent of the total 2025/26 revenue budget. This again shows a deteriorating position compared to 2024/25 when the projected 10-year deficit was £53 million.

46. Actions to address the 2026/27 budget gap, and longer-term budget challenges, will be considered as part of the annual budget setting process with the intention to approve the 2026/27 general fund budget and council tax levels in February 2026.

47. In September 2023 the council produced a medium-term financial outlook that set out the high-level implications of different levels of income, spending and activity over the next three years. This included a sensitivity analysis which shows the potential financial impact of variations against the council's current key budget assumptions (income and expenditure) which underpin the council's ten-year revenue budget projections.

48. We noted in our 2023/24 Annual Audit Report that the council recognised that its long-term financial strategy still needed to be updated to reflect the new Council Plan, with management highlighting that this would need to reflect the uncertainty associated with single year budget settlements and the financial challenges set out by the Scottish Government in its Medium-Term Financial Strategy.

49. The council still needs to produce a long-term financial strategy to project costs for the next 10 years and to show how resources will be targeted towards priority areas. However, management has advised that it will look to develop long-term revenue projections once there is sufficient certainty over levels of local government funding beyond the current year.

Equal Pay

50. In February 2021, trade unions submitted a collective equal pay claim on behalf of their members under the Equality Act 2010. The claim is for the full 5 year back-pay period and / or from their date of employment, if such a date is less than 5 years ago. The claimants are employed in predominantly female jobs groups (and / or groups of which the proportion of female workers is far greater than that in the comparator groups). Around 600 claims are presently lodged against the council. To date and following the requirements of the Employment Tribunal, some Trade Unions have recently informed the council of the name of the Lead Claimant, the posts they are seeking to compare and the specific terms in contracts of employment that they consider to be more favourable than those of the claims. The remaining parties had until 16 September to provide this information and the council has four weeks from this date (with a possible extension) to respond. At this stage, it is not possible to quantify the council's financial liability, if any.

51. While it is not possible to establish at this stage whether any cash outflow will result from the equal pay claim, this presents a potential liability to the council for future years. A contingent liability has therefore been disclosed in the 2024/25 annual accounts to reflect this.

Leisure and Culture Dundee

52. Leisure and Culture Dundee (LACD) is a subsidiary of the council that was established to manage the leisure and cultural facilities owned by the council and has been in operation since 1 July 2011. The council provided an annual management fee of £9.2 million to LACD in 2024/25.

53. Following a request from the board of LACD to undertake consultations regarding the future of Caird Park golf course, Mills Observatory and Broughty Ferry Castle, the City Governance Committee agreed in December 2024 to recommendations on changes to these services. This resulted in continued support the operation of the Mills Observatory; the deferral of a decision on the closure of Broughty Ferry castle, museum and grounds to allow officers to fully engage with Historic Environment Scotland and Scottish Ministers over the long-term funding and management of the castle, museum and grounds and to cease to operate Caird Park Golf Course resulting in its closure in April 2025.

54. An internal audit report on Financial Sustainability of LACD was presented to the Scrutiny Committee in June 2024. This concluded the assurance level was 'Limited' due to the altered profile of demand for services and the current economic climate impacting on the services can be delivered for the available budget. Internal audit made a number of recommendations for both the council and LACD to address this. Given the issues raised in the report, the Convenor of the Scrutiny Committee agreed to refer the report to the City Governance Committee for review by all members.

55. In August 2024, the City Governance Committee agreed to an externally led review of agreements, priorities, funding and options for leisure and culture to ensure that sustainable services can be maintained in the longer term. As part of this review consideration would also be given to the impact of the development of the new East End Community Campus on how and where leisure and culture services could be delivered.

56. The outcome of this review will be reported to the City Governance Committee on 22 September 2025 and the recommendations contained in the report will provide options for the 2026/27 budget setting process.

Severance scheme

57. As part of the setting of the 2025/26 revenue budget, the council agreed to implement an updated Voluntary Severance/Early Retirement Scheme from March 2025. The scheme was open to all eligible staff (excluding teachers) and offered additional incentives to provide more opportunities for voluntary severance/early retirement to be used to assist workforce planning and organisational change in line with budgetary requirements.

58. Employees were provided with an initial estimate of the potential benefits that may be available to them. Where an employee wished to

proceed further, an assessment was carried out to identify if the application was both financial and operationally viable. To date the council is currently processing around 40 applications. This could deliver savings in excess of £1.4 million per year once fully implemented, subject to formal acceptance of offers.

Vision, Leadership and Governance

59. The audit work performed on the arrangements the council has in place around its Vision, Leadership and Governance found that these were effective and appropriate. This judgement is evidenced by the council:

- having a Council Plan in place, supported by operational plans, that clearly set out its vision, strategy, and priorities and reflect the pace and depth of improvement required to realise these in a sustainable manner.
- involving service users, delivery partners, and other stakeholders in the development of its vision, strategy, and priorities to ensure these align to their needs.
- having clear financial and performance reporting in place, both internally and externally, that is linked to its operational plans, and effective scrutiny and challenge of performance provided by Scrutiny Committee.
- having effective governance arrangements in place in general, as reflected in the Annual Governance Statement included in the annual accounts.

Reinforced autoclaved aerated concrete

60. Reinforced autoclaved aerated concrete (RAAC) is a lightweight construction material that was used in the construction of some public buildings like schools and hospitals between the 1950s and 1990s. It was used mostly in flat roofing, but also in some pitched roofs, floors and walls.

61. The council had previously identified the use of RAAC in the roof structure of two school buildings: St Fergus Primary School and Ardler Primary School. These roofs have been, and continue to be, inspected regularly by experts. The RAAC at each school is described as being in good condition currently with no structural issues apparent. Specialist inspectors are therefore satisfied that both schools can safely operate as normal. Detailed inspections of the roof areas will continue to be carried out at least every six months in line with national guidelines.

62. During 2023/24, the council undertook a survey of its full portfolio of domestic properties. This identified 79 blocks of flats and 162 cottages, both with council tenants that contained RAAC. From this the council also identified a further 2 blocks of flats and 131 cottages, all fully owner occupied, which also contain RAAC. The survey concluded that in general terms, across the portfolio, RAAC is in an acceptable condition and can be managed or remediated as part

of a planned strategy. The surveys undertaken did not highlight any current need for wholesale decants.

63. In May 2025 the Neighbourhood Regeneration, Housing and Estate Management Committee agreed to undertake pilot works on 5 vacant council properties affected by RAAC to test potential solutions to the issues caused. It is hoped that this will establish the suitability of these works for future roll out across all affected properties.

Use of Resources to Improve Outcomes

64. The audit work performed on the arrangements the council has in place around its use of resources to improve outcomes found that these were effective and appropriate. This judgement is evidenced by the council:

- having an agreed Council Plan 2022-27 which clearly sets out the key actions to be taken in response to each priority and provides KPIs with 1, 3 and 10-year targets that the council has committed to achieve and a lead service area that will take responsibility for delivering the action.
- approving a revised Performance Management Framework 2025-28 which sets out how the council will respond to the new Statutory Performance Indicator (SPI) Direction, take action to address internal audit recommendations and continue to focus on progressing strategic priorities and achieve best value.
- publishing performance information showing progress against the 22 indicators included in the Council Plan every 6 months. A mid-year progress report was presented to the City Governance Committee in November 2025 and the council's Annual Performance Report 2024/25 was published in June 2025. These reports are clear and present a balanced assessment of performance. Performance against the Council Plan is generally positive with 15 (68%) of measures showing improvement on the previous year and 14 (64%) within 5 per cent of the target identified in the plan.
- preparing an annual performance benchmarking report based on the Local Government Benchmarking Framework (LGBF) data which enables comparison between Scottish councils. The latest benchmarking report was presented to the City Governance Committee in May 2025 and was based on 2023/24 performance. The report provides a high level overview of the indicators in relation to each of the council's five strategic priorities and where the council is on target by meeting the benchmark of performing better than or equivalent to the LGBF family group mean average. This identified a slight improvement with 18 out of 40 (45%) indicators that were on or better than target compared to 16 out of 39 (41%) indicators in 2022/23.

Best Value audit

Conclusion

The council has effective and appropriate arrangements in place for securing Best Value.

The Best Value thematic report on service transformation states that the council is currently in phase six of its transformation programme, which is reported to have delivered nearly £70 million in savings since 2010. However, the report highlights that the council could improve how it communicates its transformation activities to elected members and the public

The council has 34% of indicators in the top two quartiles of the Local Government Benchmarking Framework indicators for 2023/24, a slight decrease from the prior year. Although the council's overall comparative performance remains at similar levels to 2019/20, the number of indicators which are in the bottom quartile shows clear improvement over the 5-year period. However, educational attainment measures generally remain in the bottom two quartiles.

Audit approach to Best Value

65. Under the Code of Audit Practice, the audit of Best Value in councils is fully integrated within the annual audit. As part of the annual audit, auditors are required to take a risk-based approach to assessing and reporting on whether the council has made proper arrangements for securing Best Value, including follow up of findings previously reported in relation to Best Value.

66. The Accounts Commission also reports nationally on thematic aspects of councils' approaches to, and performance in, meeting their Best Value duties. As part of the annual audit, thematic reviews, as directed by the Accounts Commission, are conducted on the council. The thematic review for 2024/25 is on service transformation and considers how the council is redesigning services to maintain outcomes and deliver services more efficiently. Conclusions and judgements on the thematic review are reported in a separate Management Report and summarised in this chapter.

Conclusions on Best Value

The council's arrangements and performance in meeting Best Value and community planning duties

67. The audit work performed on the arrangements the council has in place for securing Best Value and its community planning arrangements found these were effective and appropriate. The Controller of Audit reported on Dundee City Council to the Accounts Commission in November 2023. The Commission commended the council for the progress it had made since the Best Value Assurance Report (September 2020). It also noted the clear and effective leadership and commitment to community empowerment and engagement and was assured that the council is taking action in response to long standing issues such as educational attainment and drug deaths.

Themes prescribed by the Accounts Commission

68. As previously outlined, the Accounts Commission reports nationally on thematic aspects of council's approaches to, and performance in, meeting their Best Value duties, with the thematic review for 2024/25 on the subject of service transformation. Conclusions and judgements on the council's approach to service transformation are outlined in a separate Management Report which is available on the Audit Scotland website. A summary of the conclusions and judgments made in the report is outlined below.

- The council is in the sixth phase of its transformation programme. Its plans for transformation are incorporated under the Design a Modern Council priority within its Council Plan.
- The council reports that it has delivered savings of nearly £70 million since 2010 that are linked to transformation. However, it is not clear how much its current transformation projects will contribute to bridging its projected budget funding gap of nearly £33 million over the next three years.
- The council has not published information in the public domain about the transformation projects it is currently taking forward.
- The council has robust officer-led governance arrangements in place to monitor transformational activity through its Transformation Board. The council has effective arrangements in place for reporting progress on transformational activities to its Extended Leadership Team, but there is scope to improve the information it provides to elected members and the public.
- The transformation programme is well resourced and there are planned improvements in the development of new transformation projects with clear criteria being set and new monitoring arrangements for them.

- The council has provided good examples of partnership working aimed at improving outcomes and generating savings. The council recognises that there is scope to explore further opportunities for transformational change with partners alongside potential joint funding arrangements.
- The council has consulted with its communities and conducted formal assessments of the impact of planned service changes, where appropriate, for projects within its Transformation Programme. There is evidence changes have been made as a result of this work.
- The impact of the council's current (sixth phase) transformation work is not yet clear as a new approach to defining and measuring benefits is still being implemented. In response to an internal audit report, the council has developed benefits trackers for each transformation project, including estimates of savings, that will enhance reporting in future.

69. The report also included 3 recommendations for improvement which are replicated in [Appendix 1](#) of this report along with the council's planned response, responsible officers and dates for implementation. We will report on the council's progress in implementing these actions as part of our 2025/26 audit.

Statutory performance information (SPI) and service performance

70. The Accounts Commission issued a [Statutory Performance Information Direction](#) which requires the council to report its:

- performance in improving services and progress against agreed desired outcomes, and
- a self-assessment and audit, scrutiny, and inspection council assessment of how it has responded to these assessments.

71. Auditors have a statutory duty to satisfy themselves that the council has made proper arrangements for preparing and publishing statutory performance information in accordance with the Direction and report a conclusion in the Annual Audit Report.

72. Audit work assessed the arrangements the council has in place for preparing and publishing SPI, including how it has responded to assessments, and concluded the arrangements in place were effective and appropriate.

73. The Accounts Commission also requires auditors to report a summary of the information on service performance reported by the council. The council reports information on service performance on its website and through:

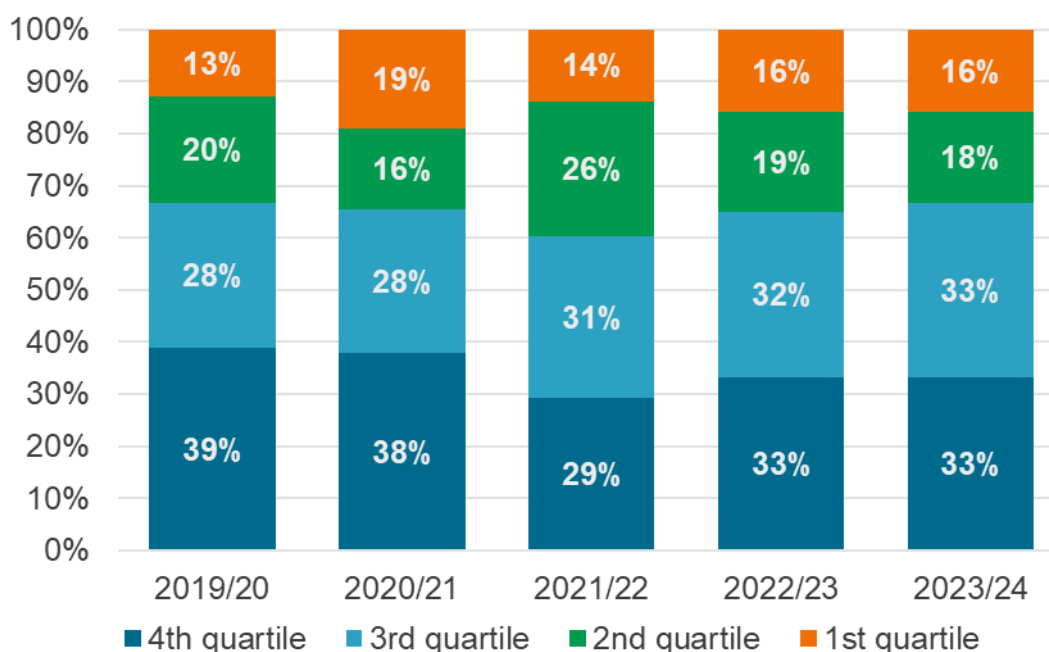
- an Annual Performance Report and a mid-year progress report which show progress against the Council Plan
- reporting the council's performance against the [Local Government Benchmarking Framework](#) (LGBF).

74. The information reported is a combination of the LGBF indicators and other relevant indicators the council has developed to monitor progress against key strategic priorities. From review of the service performance information reported by the council, this was found to be sufficiently detailed to provide an assessment of progress the council is making against its strategic priorities and allow effective scrutiny of performance.

75. We reviewed the 57 LGBF outcomes-based indicators to compare the council's performance over a 5-year period in comparison with the other 31 Scottish councils. As shown in [Exhibit 6](#), after a slight improvement in performance in 2021/22, the council has fallen back in 2023/24 with only 34% of indicators in the top 2 quartiles. Although the council's overall comparative performance remains at similar levels to 2019/20, the number of indicators which are in the bottom quartile shows clear improvement over the 5-year period.

Exhibit 6

LGBF data comparison across all 32 Scottish councils



Source: Audit Scotland analysis of LGBF data available at August 2024

76. There have been some significant changes over the 5 years in relative performance against individual indicators. Areas where the council's ranking has moved up include:

- Social Work Indicator 7: Proportion of care services graded 'good' (4) or better in Care Inspectorate inspections. The council has improved 5 places since 2019/20 and is now in the third quartile.
- Corporate Indicator 10: Percentage of Scottish Welfare Fund Community Care Grant decisions within 15 days has improved by 10 places and is now in the top half of councils for this indicator.

77. Areas where the council's ranking has moved down include:

- Corporate Indicator 8: percentage of invoices sampled that were paid within 30 days. The council was the first ranked in 2019/20 but has fallen 21 places and is now in the third quartile.
- Housing Services Indicator 4b: Average number of days taken to complete non-emergency repairs. The council has fallen by 20 places and is now in quartile 3.

78. We also noted that of the 11 Education Attainment LGBF measures which have data for the 5-year period, the council has improved in 3 of these, with a further 5 indicators remaining broadly the same. Despite this, the council remains in the bottom 2 quartiles for 10 of the 11 indicators. However, the percentage of Pupils from Deprived Areas Gaining 5+ Awards at Level 6 (Children's Services Indicator 7) has improved and the council now performs in the top half for this indicator.

Progress against previous Best Value findings and recommendations

79. Best Value findings and recommendations have been made in previous years' annual audit reports, management reports on themes prescribed by the Accounts Commission, and the November 2023 Controller of Audit Report on the council's performance in meeting its Best Value duties.

80. Details of previous recommendations and progress the council is making against these can be seen in [Appendix 1](#). Overall, the council is making good progress in implementing the previous recommendations made, with 3 of the 7 recommendations made being implemented to date, and progress being made with the remaining recommendations.

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Appendix 1

Action plan 2024/25

2024/25 recommendations

Matter giving rise to recommendation	Recommendation	Agreed action, officer and timing
1. Revaluation of Operational Land and Buildings We identified a number of discrepancies between the value of assets notified to management by the in-house valuer and the valuer's own detailed calculations. Where valuations are provided by an internal valuer, it is common practice across Scotland for councils to appoint an external valuer to undertake checks on a sample basis. Risk: the valuation of Operational Land and Buildings is misstated.	The council should annually review of the of the information provided by the valuer to satisfy themselves that there are no discrepancies between these values and the valuer's detailed calculations. This may include appointment of an external valuer to undertake checks on a sample basis. Exhibit 2 item 1	Accepted The council will ensure that only formal valuations are reflected in the fixed asset register. This should prevent any discrepancy between the valuer's detailed calculations and the fixed asset register. The council will consider the benefits of appointing an external valuer in future years once an internal review of the valuation process has been completed in response to this recommendation. Responsible officer: Service Manager (Accounting Strategy) Agreed date: 30 June 2026
2. Duplicate assets Our review of a sample of assets revalued in the year identified one instance of a duplicated entry held in the council's asset register. Risk: the valuation of Operational Land and Buildings is misstated.	The council should undertake a review of the asset register to identify any duplicate assets. Exhibit 2 item 1	Accepted The council will correct the fixed asset register for all duplicated assets identified during 2025/26. The council will continue to identify any duplicates as part of the cyclical revaluation programme. Responsible officer: Service Manager (Accounting Strategy) Agreed date: 30 June 2029

Matter giving rise to recommendation	Recommendation	Agreed action, officer and timing
3. Infrastructure assets The current statutory override for the reporting of Infrastructure assets is likely to end from March 2027. It is therefore important that the council not only has a register of all infrastructure assets currently in use, but that it also has the required financial information relating to each individual asset. Risk: the council is unable to identify the financial information required to comply with the Code when the current statutory override ends.	A full review of all Infrastructure assets that remain in use should be carried out and all items brought onto the council's asset register along with the financial information for each asset to comply with requirements of the Code. Exhibit 2 item 5	Accepted The council will undertake a review of infrastructure asset accounting if and when the Code requirements change. Responsible officer: Service Manager (Accounting Strategy) Agreed date: 30 June 2026
4. Review of Annual Accounts The council's unaudited accounts run to over 150 pages in length. There is scope to streamline the level of detail in the annual accounts. The Code of Practice on Local Authority Accounting 2024-25 (the Code) requires that <i>'financial statements should only include disclosures that are material to the presentation of a 'true and fair' view of the financial position, financial performance and cash flows of the authority and to the understanding of users of the financial statements'</i>. Risk: the annual accounts do not support clear financial reporting.	The council should undertake a full review the annual accounts to ensure that they meet the Code requirement to only include material information. Use should be made of Audit Scotland's Good Practice Notes to support this review. Paragraph 26.	Accepted The council will undertake a review of the annual report and accounts. Responsible Officer: Service Manager (Accounting Strategy) Agreed date: 30 June 2026

Matter giving rise to recommendation	Recommendation	Agreed action, officer and timing
5. Externally hosted financial and other systems Good practice requires that where an organisation makes use of externally hosted financial and other systems, it should seek regular confirmation from the provider over the integrity and security of the data held externally. Risk: key financial and personal data could become compromised or even completely lost.	Where key council systems are externally hosted by the software provider, the council should seek regular confirmation from the provider over the integrity and security of the data held on the system. Paragraph 38.	Accepted External partners are contractually obligated to ensure the integrity and security of our data. Assurance is gained through contract management practices. The council will ensure that the Council's contract management guidance is updated to reflect the requirement to obtain robust assurances over data security. Responsible Officer: Corporate Procurement Manager Agreed date: 30 June 2026

Follow-up of prior year recommendations

Matter giving rise to recommendation	Recommendation, agreed action, officer and timing	Update
1. Disclosure and classification errors in accounts presented for audit Our audit identified a number of disclosure and classification errors in the notes to the financial statements that had to be corrected in the audited accounts. These included errors and inconsistencies in the group statements. Risk: The notes to the financial statements do not agree to the corresponding figures in the primary statements or accurately reflect the underlying information.	Management should undertake a detailed check of the annual accounts prior to them being presented for audit. Responsible officer: Service Manager – Accounting Strategy Agreed date: June 2025	Completed Although our review of the unaudited accounts did identify a number of minor narrative issues that required to be updated, these were not significant.

Matter giving rise to recommendation	Recommendation, agreed action, officer and timing	Update
2. Grant income unspent at year end We identified unspent grant income which had not been correctly accounted for in the unaudited accounts. Risk: Grant income received during the year is not correctly accounted for in the annual accounts resulting in income being understated.	Management should review all unspent grant income at the year end to ensure it is correctly accounted for in the annual accounts. Responsible officer: Service Manager – Accounting Strategy Agreed date: June 2025	Completed We reviewed balances carried forward to 2025/26 and no significant issues were identified.
3. Remuneration report - Trade Union (Facility Time Publication Requirements) Regulations 2017 disclosures The regulations require a range of information in relation to the time and costs of employee involvement in trade union activity to be published by the council each year. These disclosures have been required since 2020/21 but the council does not yet have processes in place to collate current year data, or information on the time spent on paid trade union activities, for publication in the annual accounts each year. Risk: The time and costs associated with staff involvement in trade union activity is not reported.	Management should put arrangements in place to ensure the required information is collated and disclosed in the remuneration report in the 2024/25 annual accounts. Responsible officer: Head of People Agreed date: June 2025	Ongoing The Remuneration Report in the 2024/25 Annual Accounts includes most of the required information for 2024/25, however disclosure of 'time spent on paid trade union activities as a percentage of total paid facility time hours' was not available. We understand that the council continues to work with Trade Unions to put arrangements in place to identify and disclose this information for 2025/26.

Matter giving rise to recommendation	Recommendation, agreed action, officer and timing	Update
4. Council house completions Between 2021/22 to 2023/24 the council expected to complete 222 new properties but only 57 (26 per cent) of those were actually completed. Risk: This presents a risk to the council achieving its aim to “Build homes to meet community needs” and to the City Plan target to build 480 new homes across all tenures annually.	Management should review the project to increase the supply of council housing in the city to ensure it provides a realistic timetable for completions. Alongside this it should also look to identify ways to increase the number of new properties being completed each year. Responsible officer: Executive Director of Neighbourhood Services Agreed date: March 2025	Completed The Strategic Housing Investment Plan was reported to Committee on 28 October 2024 and a further update of the plan will be reported to committee on 27 October 2025 and subsequently shared with Scottish Government. In 2024/2025, there were 341 new affordable housing completions delivered in the city. The tender application for Blackness was approved at Committee on 23 June 2025 and has commenced with a clear programme. Progress on housing completions continue to be closely monitored and reported to members through the established performance management arrangements.
5. Clearance of internal audit reports We reported in our 2022/23 Annual Audit Report that services were often slow to respond to draft internal audit reports and we again noted delays in the issue of internal reports during 2023/24, including a protracted process for the clearance and issue of many reports. Risk: This presents a risk to the adequacy and effectiveness of the council’s framework of governance, risk management and control.	Management should look to streamline the process for clearing internal audit reports to ensure recommendations are agreed and actioned within an appropriate timescale. Responsible officer: Executive Director of Corporate Services Agreed date: March 2025	Ongoing The Chief Internal Auditor has indicated that whilst there is a good level of support from senior managers and that the situation has improved over the course of the year, there continues to be some delays in clearing some internal audit reports.

Progress against previous Best Value findings and recommendations

Matter giving rise to recommendation	Recommendation, agreed action, officer and timing	Update on progress
BV1. Alignment of Strategic Workforce Plan 2023-28 and service plans Each of the council's service plans links to the Council Plan and includes workforce planning actions. However, these are set out in different ways and in differing levels of detail in each service plan, so there is no consistent or direct read across between the action plan in the Strategic Workforce Plan 2023-28 and the workforce actions identified in the service plans. Risk: Workforce planning arrangements across services do not support the delivery of the Strategic Workforce Plan 2023-28, and the council's strategic priorities.	The council should review workforce planning arrangements across services to ensure these support the delivery of the Strategic Workforce Plan 2023-28, and the council's strategic priorities. Responsible officer: Head of People Agreed date: March 2025	Ongoing A review of existing workforce planning arrangements is in progress, with a revised Action Plan currently being developed. This will include an agreed format for Services to report on their Workforce Planning annually as part of their Service Plan updates, agreed impact measures, templates and additional processes as required, and a suite of training materials and resources for use by services that ensure a consistent approach.
BV2. Impact of greater use of digital technology The impact of the greater use of digital technology on the council's future workforce requirements is not yet fully considered and embedded within the Strategic Workforce Plan 2023-28 and service plans. Risk: Service plans do not accurately reflect the projected impact of the greater use of digital technology on the council's future workforce requirements.	The council should review service plans to ensure they reflect the projected impact of the greater use of digital technology on the council's future workforce requirements. Responsible officer: Head of Digital and Community Services Agreed date: September 2024	Closed This action is now included as part of the review of workforce planning arrangements at point BV1 above.
BV3. Establishment of Digital Leadership Board The Digital Leadership Board, responsible for leading on the delivery of the digital strategy, is still being set up. Risk: There is a lack of oversight, governance and direction for the delivery of the digital strategy.	The council should establish the Digital Leadership Board as a matter of priority to ensure there is appropriate oversight, governance and direction for the delivery of the digital strategy. Responsible officer: Head of Digital and Community Services Agreed date: September 2024	Completed Digital Leadership Board was established in October 2024. This is chaired by the Head of Digital Services and includes senior representatives from all services. The board reports directly to the council's Transformation Board.

Matter giving rise to recommendation	Recommendation, agreed action, officer and timing	Update on progress
BV4. Digital skills survey The council has not undertaken a digital skills survey since 2018. Risk: The council lacks up-to-date information to inform the development of its digital skills plan.	The council should complete a digital skills survey to assess the current digital capabilities of its workforce and to identify areas for additional training and development. Responsible officer: Head of People Agreed date: March 2025	Ongoing A Digital Skills audit process has been designed and developed. This is currently being piloted in People Services before being rolled out to all other services as a tool to identify digital skill development themes and actions.
BV5. Reliance on casual workers Over 7 per cent of the council's staff are employed as casual workers. Risk: The council's current reliance on casual workers may present business continuity risks for services.	The council needs to review its use of casual workers to ensure this does not present a business continuity risk for the organisation. Responsible officer: Head of People Agreed date: March 2025	Completed An Establishment Control Board was established in October 2024 to consider recruitment approval requests, as well as to scrutinise and support the implementation of the council's approach to organisational structure and design. Relief/casual usage will be monitored as part of this.
BV6. Joint working with partners The council has embraced joint workforce arrangements with other bodies in a range of areas. However, there may be further opportunities for the council to work with other partners to tackle shared workforce challenges in the future. Risk: The council may not be utilising its staff resources as efficiently and effectively as possible.	The council should look to identify further opportunities to work together with partners to tackle shared workforce challenges in the future. Responsible officer: Head of People Agreed date: March 2025	Completed This is now considered to be 'business as usual'. There are a number of examples of partnership working currently in place, particularly related to development and delivery of various training programmes with other public sector bodies.
BV7. Measuring the impact of workforce planning The council has still to develop smart measures and targets to monitor and report on progress against the Strategic Workforce Plan 2023-28. Risk: Workforce planning arrangements may not be supporting the delivery of the strategic priorities in within the Council Plan.	The council needs to develop smart measures and targets to monitor and report on progress against the Strategic Workforce Plan 2023-28. This should include reporting to elected members on the delivery of workforce priorities. Responsible officer: Head of People Agreed date: March 2025	Ongoing As part of the ongoing review of current workforce planning arrangements noted at point BV1 above, appropriate and relevant measures and guidance will be communicated to all services to enable them to understand the impact of their workforce plans. This will be reported via the Service Planning reporting process to committee.

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Appendix 2

Supporting national and performance audit reports

Report name	Date published
Local government budgets 2024/25	15 May 2024
Scotland's colleges 2024	19 September 2024
Integration Joint Boards: Finance and performance 2024	25 July 2024
The National Fraud Initiative in Scotland 2024	15 August 2024
Transformation in councils	1 October 2024
Alcohol and drug services	31 October 2024
Fiscal sustainability and reform in Scotland	21 November 2024
Public service reform in Scotland: how do we turn rhetoric into reality?	26 November 2024
NHS in Scotland 2024: Finance and performance	3 December 2024
Auditing climate change	7 January 2025
Local government in Scotland: Financial bulletin 2023/24	28 January 2025
Transparency, transformation and the sustainability of council services	28 January 2025
Sustainable transport	30 January 2025
A review of Housing Benefit overpayments 2018/19 to 2021/22: A thematic study	20 February 2025
Additional support for learning	27 February 2025
Integration Joint Boards: Finance bulletin 2023/24	6 March 2025
Integration Joint Boards finances continue to be precarious	6 March 2025
General practice: Progress since the 2018 General Medical Services contract	27 March 2025
Council Tax rises in Scotland	28 March 2025

Dundee City Council

2024/25 Annual Audit Report



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REPORT TO: SCRUTINY COMMITTEE – 24 SEPTEMBER 2025

REPORT ON: RESPONSE TO EXTERNAL AUDITOR'S ANNUAL AUDIT REPORT TO MEMBERS OF DUNDEE CITY COUNCIL AND THE CONTROLLER OF AUDIT FOR THE YEAR TO 31 MARCH 2025

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 273-2025

1 PURPOSE OF REPORT

This report is a response to the report prepared by the Council's external auditor on the audit of Dundee City Council for the year to 31 March 2025. A copy of following draft reports are also included on the agenda as separate items:

- External auditor's report (Report No 272-2025); and
- Audited Annual Accounts for the City Council 2024/2025 (Report No 274-2025).

2 RECOMMENDATIONS

It is recommended that the Committee:

- i notes the information in this report and the contents of the draft external auditor's report including the completed action plan at Appendix 1, and in particular that Audit Scotland have indicated they will issue an unqualified audit opinion the 2024/25 Annual Accounts.
- ii endorses this report as the Council's formal response to the external auditor's report.
- iii authorises the Executive Director of Corporate Services to arrange for each of the Audited Annual Accounts noted above to be signed and then returned to the external auditor.
- iv requires the Executive Director of Corporate Services thereafter to arrange for the above Annual Accounts, including copies of all audit certificates and accounts of the Council's subsidiary bodies to be published on the Council's website.

3 FINANCIAL IMPLICATIONS

- 3.1 There are no direct financial implications arising from this report. A summary of the key figures reported in the accounts are noted in paragraph 4.7 of this report.

4 MAIN TEXT

4.1 Introduction

External audit is one of the key methods by which the activities and performance of local government are independently scrutinised and reported upon. The external audit of Dundee City Council for the financial year 2024/25 was carried out by Ms Rachel Browne, Director (Audit Services), Audit Scotland. Local authority external auditors are appointed for a five-year period and financial year 2024/25 marked the third year of Audit Scotland's current appointment.

- 4.2 The 2024/25 unaudited Annual Accounts were submitted to Scrutiny Committee earlier this year, (Article XII of the Minute of the Meeting of the Scrutiny Committee 25 June 2025, Report No: 182-2025 refers). The accounts were submitted to Audit Scotland on 25 June 2025. The accounts have since been subject to a three-week statutory public inspection period and no objections were received.

4.3 External Auditor's Report

Audit Scotland have now completed their audit work and, in accordance with auditing standards (ISA 260: Communication with those charged with governance), are required to report the outcome of their work in relation to their review of the financial statements, prior to formally issuing their audit opinions. This requirement has been addressed in the External Auditor's report.

- 4.4 The report summarises the findings in relation to the overall audit of the Council for the year ended 31 March 2025. The attached report describes the scope of audit work undertaken during 2024/25 and the issues arising from that work are divided into three key areas looking at:

- audit of 2024/25 annual accounts
- wider scope audit work
- Best Value audit

- 4.5 In addition to the elected members of Dundee City Council, the external auditor's report is also addressed to the Controller of Audit at the Accounts Commission for Scotland. Given this wider audience, and the extent of the external auditor's responsibilities and scope of work, the report is by necessity both fulsome and extensive. It contains much information that has already been reported to the relevant committees of Dundee City Council. Further to this, external audit reports issued previously already include agreed management action plans that are the subject of separate consideration by the Scrutiny Committee. Accordingly, it is not the intention in this report to provide a detailed response or commentary on all of the external auditor's findings.

4.6 Audit Adjustments

Through the audit process, technical adjustments to the Council's financial statements were identified. Further details are provided in Exhibit 4 on page 18. These adjustments related to property revaluations as at 31 March 2025.

It should be noted that none of these adjustments had any impact on the General Fund balance or usable reserves more generally.

4.7 Summary of key figures

The Council's draft 2024/25 Audited Annual Accounts show that there was an overspend of £10.700m. The main components of the underspend are shown on page 3 of the accounts, with a more detailed analysis of the main areas of budget variance shown on page 4. The table on page 6 of the accounts shows that usable reserves increased by £14.505m over the year, with a closing balance of £77.745m. Within this total, General Fund balances decreased by £10.700m to £67.031m at 31 March 2025. The various ear-marked components of the General Fund balance, totalling £58.857m, are shown on page 5 and in note 10 on page 78 of the accounts. The uncommitted element of the closing General Fund balance is estimated at £8.174m. This equates to 1.6% of annual budgeted net expenditure.

Capital expenditure in 2024/25 totalled £122.149m. The key projects in the capital programme are shown in the table on pages 6 and 7 of the accounts. The Balance Sheet on page 56 of the accounts shows that the Council's overall net assets have decreased by £82.654m, to £990.0m at 31 March 2025. The main reasons for this movement are increased levels of debt, partly due to the required adoption of IFRS16 which requires a remeasurement of service concession debt, offset to some extent by the increases in fixed assets (notably the new Drumgeith Campus).

The Council's pensions liability, as measured under IAS19 (Employee Benefits) decreased by £3.830m, to £28.391m at 31 March 2025.

4.8 Action Plan

The external auditor has made five recommendations arising from the 2024/25 Council audit that require further action by the Council. These recommendations have been considered

carefully by the Chief Executive and Executive Director of Corporate Services and the completed action plan, incorporating the "agreed management action / timing", is included at Appendix 1 to the external auditor's report. The progress on implementing these agreed action points will be monitored by the Council's Risk and Assurance Board through the Council's established procedures for dealing with external audit reports and reviewing previously agreed action plans.

4.9 Conclusions

The external auditor has undertaken a thorough and wide-ranging review of the financial statements and the processes and procedures around their preparation. In addition to the audit of the accounts, the external auditor examined several areas covering a wide range of activities during 2024/25, including Best Value.

Whilst a small number of adjustments were required to the unaudited accounts and some areas for improvement have been identified, it is pleasing to note that the overall findings and conclusions are satisfactory. In particular, the Council can take encouragement from the following key findings:

- the Council's budget setting and financial management arrangements operated effectively during 2024/25
- The Council has effective and appropriate arrangements in place for securing Best Value
- An unqualified audit opinion will be issued

4.10 Next steps

Following the approval of the accounts for signature, the relevant statements of the Annual Accounts will be signed and dated by the appropriate officers and then returned to the external auditor. In line with statutory requirements, copies of the Annual Accounts together with the audit certificate and accounts of the Council's subsidiary bodies will then be published on the Council's website.

5 **POLICY IMPLICATIONS**

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

6 **CONSULTATIONS**

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

7 **BACKGROUND PAPERS**

None.

PAUL THOMSON
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

16 SEPTEMBER 2025

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Annual Accounts

As at 31 March 2025

Audited



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Dundee City Council

Annual Accounts 2024/25

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PART 1 - INTRODUCTION & BACKGROUND

We are pleased to present the Unaudited Annual Accounts for Dundee City Council ("the Council") and its Group for the year ended 31 March 2025. The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/2025 ("the Code"). This management commentary provides context for the annual accounts, an analysis of financial and non-financial performance and an insight into the priorities and plans of the Council and the key developments during the period. The principal financial risks and uncertainties facing the Council are identified, together with the potential impact and actions being taken.

Service and Management Structures

There were no significant changes to service and management structures during 2024/2025. The Council's five strategic service areas and two key partnerships are:

	Children and Families	The Children and Families Service is responsible for Nursery, Primary and Secondary Education, Community Justice Services and Integrated Children's Services
	City Development	City Development Services is responsible for the promotion of jobs, the city's road network, transportation facilities and Council properties and the control of development and building operations.
	Dundee Health & Social Care Partnership	The Dundee Health and Social Care Partnership brings together adult health and social care services.
	Neighbourhood Services	Neighbourhood Services is responsible for the management and maintenance of housing and the environment, waste management, supporting people to develop their communities and keeping people safe and healthy.
	Leisure & Culture Dundee	Leisure and Culture Dundee is a Scottish Charitable Incorporated Organization responsible for Leisure and Sport, Libraries and Culture.
	Corporate Services	Corporate Services is responsible for Corporate Finance, Customer Services, IT, Democratic and Legal Services, Human Resources and Business Support.
	Chief Executive's Services	The Chief Executive's Service is responsible for the efficient and effective management of the Council and its resources and for Community Planning, Transformation and Performance, Communications and National Entitlement Card for Scotland.

Dundee City Council

Dundee is Scotland's fourth largest city, situated on the north coast of the Tay Estuary. The Dundee City Council area covers 60 square kilometres and is, geographically, the smallest local authority area in Scotland. Dundee is home to 150,390 people and is bordered by Perth and Kinross Council to the west and Angus Council to the north and east. Dundee continues to serve as the regional centre for this area and North-East Fife, with an estimated catchment population of some 500,000 people. Dundee has a sizeable student population, and is home to the University of Dundee, Abertay University and Dundee & Angus College. Dundee was Scotland's first Fair Trade City, the UK's first Living Wage City and the UK's first UNESCO City of Design.



PART 2 - FINANCIAL MATTERS

Review of the 2024/2025 Financial Year - Revenue Budget

The 2024/2025 General Services Revenue Budget was agreed at the meeting of the City Governance Committee on 29 February 2024. Council Tax for Band D was frozen at 2023/2024 levels after budget savings totalling £0.410m were approved (in addition to base budget savings of £11.012m). £4.255m of ear-marked General Fund balances were also used in balancing the 2024/2025 budget. Budget investment proposals of £6.640m were funded from earmarked reserves. The 2024/2025 Housing Revenue Account Budget was agreed at the meeting of the City Governance Committee on 22 January 2024 and it was agreed that rent levels would increase on average by 3.5%.

The City Governance Committee received regular revenue monitoring reports during 2024/2025 in order to keep elected members fully apprised as to the projected outturn position.

The Consolidated Income & Expenditure Statement (page 53) shows a deficit on the provision of services of £63.271m for 2024/2025, measured on an accounting basis. This deficit is carried forward to the Movement in Reserves Statement (page 54), where adjustments totalling £48.766m have been made to restate the accounting position to a funding basis. The overall net decrease in usable reserves is £14.505m on a funding basis. The table on page 6 gives a further breakdown of the movements in usable reserves.

The Expenditure and Funding Analysis (page 50) provides a reconciliation between the funding and accounting bases, with the former providing a direct linkage back to the regular revenue monitoring reports. The Expenditure and Funding Analysis shows that on the funding basis, there was a £14.972m decrease to the General Fund and HRA balances for 2024/25, before transfers between reserves. The £14.972m is made up of a decrease to the General Fund of £10.848m and a deficit on the HRA of £4.124m. For further details please see the section on Management of Reserves below:

2024/25 Funding basis	Approved Revenue Budget £m	Adjusted Revenue Budget £m	Actual Net expenditure £m	Over/ (under) spend £m
Children & Families	213.996	217.055	219.882	2.827
Dundee Health & Social Care Partnership	110.180	110.851	111.301	0.450
City Development	16.916	18.644	21.508	2.864
Neighbourhood Services	28.439	20.350	20.907	0.557
Chief Executive	13.835	15.300	14.465	(0.835)
Corporate Services	33.568	35.795	33.630	(2.165)
Construction Services*	0.000	0.827	0.482	(0.345)
Discretionary Non Domestic Rates (NDR) Relief	0.392	0.392	0.493	0.101
Tayside Valuation Joint Board	0.945	0.945	1.028	0.083
Miscellaneous items and contingencies	13.721	6.590	3.188	(3.402)
Corporate Fleet	(1.658)	2.230	4.372	2.142
On-street car parking and LEZ	0.000	0.000	(1.319)	(1.319)
Housing Revenue Account*	0.000	0.000	4.124	4.124
Cost of services	430.334	428.979	434.061	5.082
Financing and Investment Income and Expenditure	18.174	37.373	38.964	1.591
Total expenditure	448.508	466.352	473.025	6.673
<i>Funded by:</i>				
General Revenue Funding	(304.267)	(317.928)	(318.015)	(0.087)
Contribution from National Non Domestic Rates (NNDR) Pool	(73.695)	(73.695)	(73.695)	0.000
Council Tax	(63.906)	(64.153)	(66.343)	(2.190)
Deficit/ (surplus) on provision of services	6.640	10.576	14.972	4.396
Use of earmarked reserves	(6.640)	(10.576)	(4.272)	6.304
Decrease/ (increase) in General Fund and HRA	0.000	0.000	10.700	10.700

*Construction Services and the Housing Revenue Account are budgeted to break even

The most significant factors contributing towards the decrease to the General Fund and deficit on the HRA were:

Children & Families reported an overall overspend of £2.827m. The overspend primarily relates to additional staff costs totalling £2.207m for teachers and LGE staff, mainly as a result of increased use of supply cover and acting up allowance due to sickness absence and maternity, as well as the increased demand for Additional Supports Needs Staff. Other factors contributing to the overspend included increased property costs and overspends within supplies and services which were partly offset by additional income received for childcare fees, recharges and other funding.

City Development reported an overspend of £2.864m. The contributing factors include overspends in corporate property totalling £2.935m, mainly due to costs of unplanned and health and safety related repairs and increased energy costs. Also included are overspends of £0.614m in Third Party Payments relating to the winter maintenance programme and public safety works. The overspends were partly offset by savings in staff costs of £0.882m due to posts being held as vacant to meet these cost pressures within the overall budget.

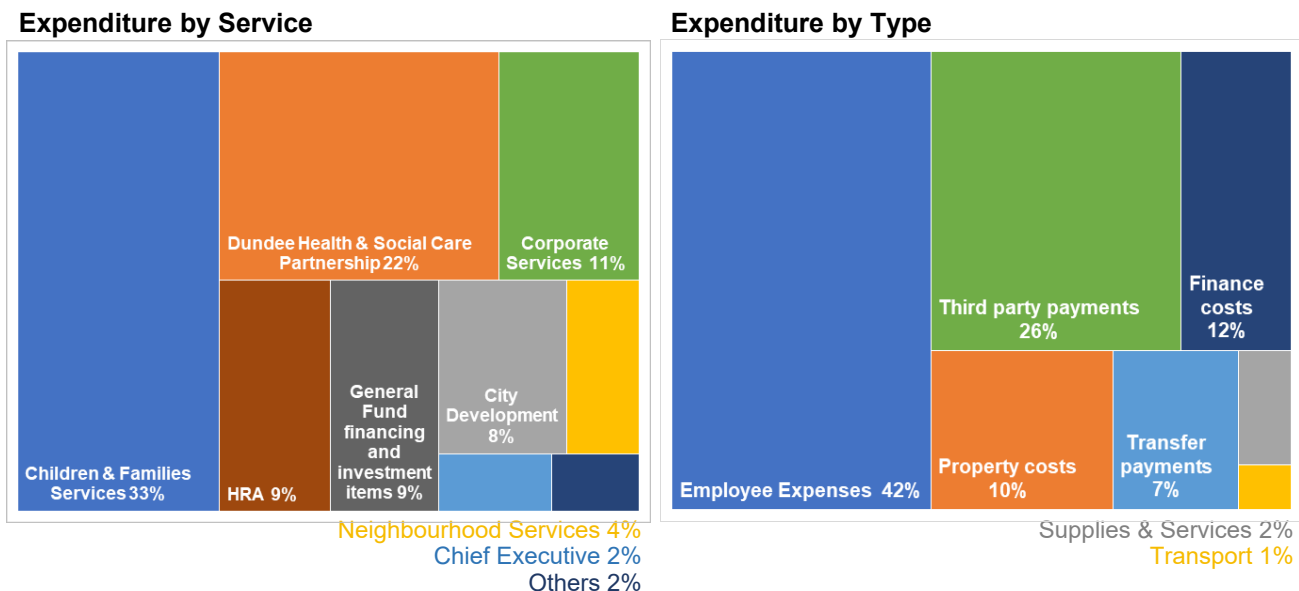
Corporate Services reported an overall underspend of (£2.165m). The underspend mainly relates to savings of £2.518m in staff costs reflecting unfilled posts during the year again being held to manage the overall budget overspend. These savings were partly offset by overspends in supplies and services expenditure and third party payments.

Miscellaneous items and contingencies reported a total underspend of (£3.402m), mainly relating to corporate provisions set aside for pay and cost pressures on Children Services which were not fully required.

Corporate Fleet reported an overspend of £2.142m, mainly due to increased repairs and materials costs. **On-street car parking and LEZ** reported (£1.319m) additional income as a result of increased penalty charge notices following the introduction of the Low Emissions Zone scheme.

The **Housing Revenue Account** reported an overspend of £4.124m. The contributing factors included overspends of £2.820m in property costs relating to additional repairs and planned maintenance, plus specialist works on damp and mould treatment. There were also various overspends totalling £1.543m relating to void properties, and costs associated with energy, health & safety, emergency repairs and cleaning. The overspend of £1.591m was mainly attributed to overspends in Capital Financing Costs due to continuation of short-term borrowing whilst interest rates remain greater than expected.

Revenue expenditure is graphically presented by Service and Type below:



The overall General Fund balance has decreased by £10.700m over the year, to £67.031m at 31 March 2025 of which £58.857m is earmarked for specific purposes. This can be analysed as follows:

	2023/24 £m	2024/25 £m
Earmarked carry-forwards	4.124	1.509
Social Housing	2.555	2.458
Children Services	-	1.033
Service change initiatives	5.000	5.000
Roof remedial works	2.702	1.875
Change fund	2.388	2.169
Income Cost Pressures	2.750	1.550
Statutory on-street car parking reserve	0.597	1.716
Other earmarked funds	1.387	1.774
Contribution to budget setting	6.640	-
Service Concession flexibility	39.773	39.773
Total Earmarked Funds	67.916	58.857
Unallocated Balance	9.815	8.174
Total General Fund Balance	77.731	67.031

Further details of the breakdown of the overall General Fund balance are shown in note 10 on page 78. The value of net assets shown in the Council's Balance Sheet (page 56) has decreased from £1,072.7m (at 31 March 2024) to £990.0m (at 31 March 2025) i.e. a decrease of £82.654m. The main reasons for this movement are increased levels of debt, partly due to the required adoption of IFRS16 which required a remeasurement of service concession debt, offset to some extent by increases in fixed assets notably the new Greenfield Academy. Please note that although service concession debt required remeasurement under IFRS16, the unitary charges payable have not changed. What has changed is how the unitary charge is split into its component parts. The adoption of IFRS16 requires that a bigger part of the unitary charge is allocated to debt servicing.

Please note that the figures in the Comprehensive Income and Expenditure Statement on page 53 are on an accounting basis, rather than the funding basis. The figures and variances contained in the management commentary are on the funding basis. The Expenditure and Funding Analysis on page 50 explains how the accounts move from accounting to funding bases.

The Cash Flow Statement (page 57) shows that cash and cash equivalents have decreased by £7.983m over the period, with a closing cash and cash equivalents position of (£6.357m).

Management of Reserves

Under the Council's Standing Orders and Schemes of Administration, the Executive Director of Corporate Services has delegated powers to:

- manage the Council's various reserves and balances in accordance with the agreed protocol and any other relevant guidance, and
- transfer funds between reserves as part of the Council's overall financial management arrangements.

The agreed protocol for the operation of the Council's Reserves states that the Executive Director of Corporate Services shall include a statement showing the movements in the Council's Reserves in the Annual Accounts. The following table shows the movements in the Council's available usable reserves during 2024/25:

General Fund £m	HRA Balance £m	Renewal & Repair Fund £m	Insurance Fund £m	Capital Grants & Receipts	Capital Fund £m	Total £m

	Unapplied Account £m						
Opening Balance 1 April 2024	77.731	-	10.826	1.192	0.354	2.147	92.250
Surplus / (Deficit) for the Year	(10.848)	(4.124)	-	-	(0.013)	0.480	(14.505)
Transfer of HRA Surplus	-	4.124	(4.124)	-	-	-	0.000
Transfers Under Delegated Powers	0.148	-	(0.407)	0.168	-	0.091	0.000
Closing Balance 31 March 2025	67.031	0.000	6.295	1.360	0.341	2.718	77.745

The planned, earmarked, usage of the General Fund is set out in Note 10 on page 78.

HRA surpluses and deficits are transferred to the Renewal & Repair Fund. At 31 March 2025, £3.193m of the Renewal & Repair Fund balance related to the HRA (31 March 2024: £7.317m).

Review of the 2024/2025 Financial Year - Capital Budget

On 19 February 2024, the City Governance Committee approved a combined five-year Capital Plan for General Services and Housing HRA totalling £388.1m over the period 2024 to 2029. The gross capital budget for 2024/2025 totalled £162.008m. The City Governance Committee received capital monitoring reports during 2024/2025 to keep elected members apprised of project cost to date, the projected outturn position and projected completion dates. Actual gross capital expenditure for the year was £122.149m. The following table compares the actual outturn position with budget for capital expenditure and the associated funding. The underspend against the original capital budget was due to slippage across a range of projects for a number of different reasons since the original capital budgets were prepared.

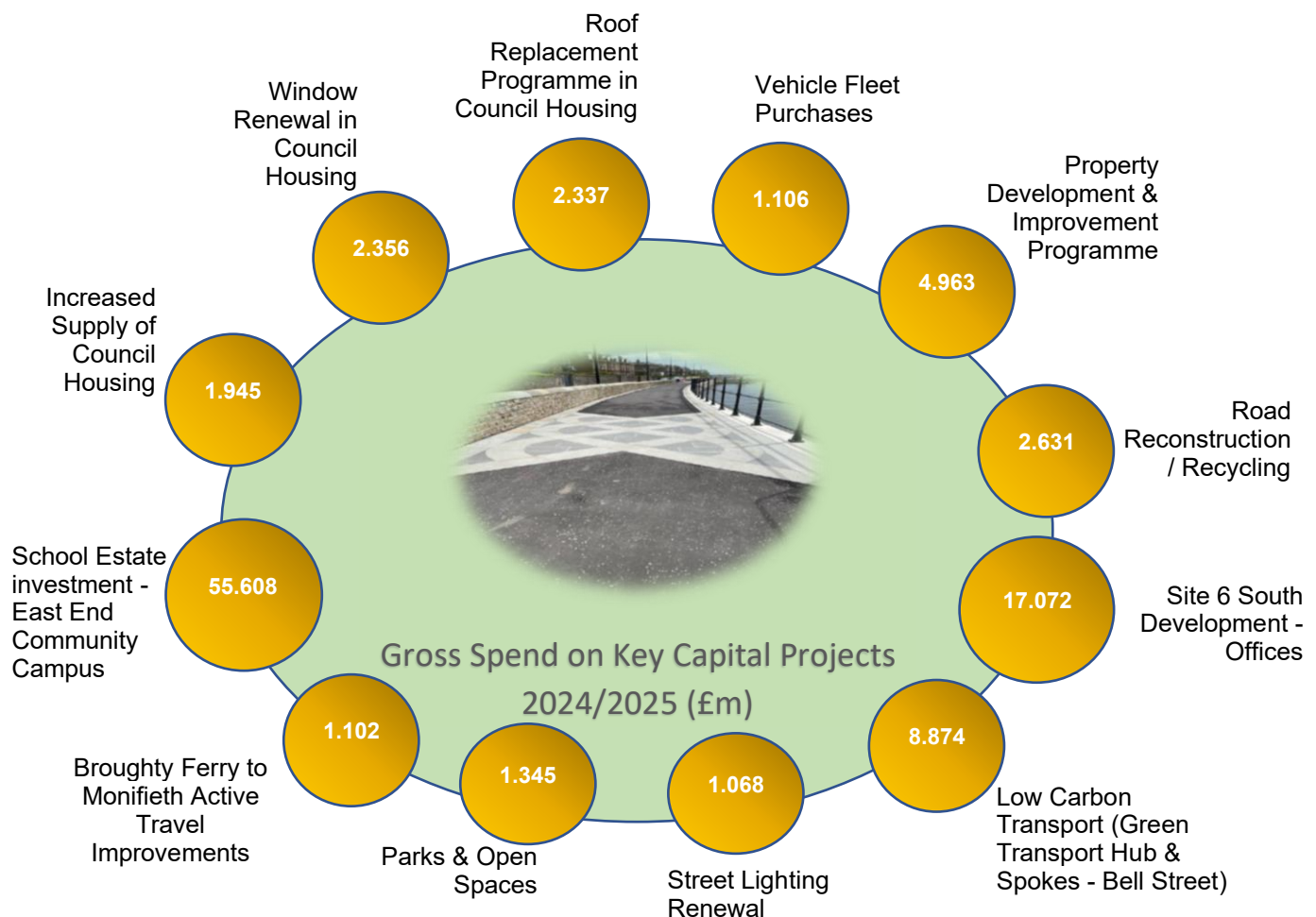
	Budget £m	Actual £m	Variance £m
Gross Capital Expenditure	162.008	122.149	(39.859)
<i>Funded by:</i>			
Borrowing	121.979	91.110	(30.869)
Capital Grants & Receipts	33.153	28.132	(5.021)
Capital Fund	0.426	0.767	0.341
CFCR	0.450	2.140	1.690
Slippage Allowance	6.000	0.000	(6.000)
	162.008	122.149	(39.859)

The main elements of slippage in the 2024/2025 capital programme were as follows:

Project	Budget £000	Actual £000	Overspend/ (Underspend) £000	Explanation
Broughty Ferry to Monifieth Active Travel Improvements	2,580	1,102	(1,478)	The tenders for these awards were delayed pending confirmation of funding from Scottish Government. This has now been resolved the works commenced in May 2025.
East End Community Campus	63,657	55,608	(8,049)	The projected cashflow is updated on a monthly basis, the actual spend reflects the progress on site by the contractor. Factors that have influenced progress on site include design development, inclement weather along with delays in connecting utilities.
Site 6 South Development	18,620	17,072	(1,548)	The projected cashflow is updated on a monthly basis. The actual spend reflects the progress on site by the contractor that is reviewed regularly throughout the contract. Progress on the site has been impacted by contractor design development and building control issues. The project is now on track to be delivered within budget.
Low Carbon Transport - Green Transport Hub & Spokes - Bell Street	12,170	8,874	(3,296)	The budget was rephased to align with the contractor's updated programme of works. The project remains on schedule for completion by the end of 2025.
Vehicle Fleet & Infrastructure	2,828	1,113	(1,715)	Reflects supply chain delays experienced in the availability of new vehicles.
City Investment Fund	1,115	61	(1,054)	This project was delayed due to confirmation of funding, this has been resolved the projected is scheduled to be completed by March 2026.
Baldovie (Development)	3,071	68	(3,003)	The project has been delayed pending acquisition of the site.
Desktop Management Software	1,500	0	(1,500)	This budget was not required as a change in strategy meant cloud services were used instead and funded from revenue budget.
Property Development & Improvement Programme	6,705	5,044	(1,661)	Mainly reflects delays in the delivery of various projects due to resource and defining project brief resulting in the reprofiling of budgets to later years.
Contingency Capital Expenditure	2,259	0	(2,259)	Whilst payable as a capital grant this funding was subsequently utilised to fund the 2023/24 pay award and was therefore transferred to revenue.
Depot Rationalisation Programme	2,092	70	(2,022)	Delays in agreeing project scope with the client department have necessitated a reprofiling of budgets to suit the new programme.

Project	Budget £000	Actual £000	Overspend/ (Underspend) £000	Explanation
HRA - Energy Efficient	9,683	1,705	(7,978)	There was slippage in the programme due to complexities in the detailing of the External Wall Insulation system and how it interfaces with the specific dwelling types. This required further design input to ensure a robust tender package was delivered.
Increased Supply of Council Housing	6,114	1,945	(4,169)	Mainly reflects delays in Blackness Road development to enable this project to be retendered.
HRA Improvement Plan	0	1,257	1,257	Reflects additional works on kitchens, bathrooms, doors and windows agreed as part on an improvement plan after the budget was approved.

In-year gross spend on key projects in the capital programme was as follows:



Capital Funding / Treasury Management

In terms of the funding of capital expenditure, borrowing has the effect of increasing the Council's overall indebtedness and the level of principal repayments and loan interest charges each year. Capital expenditure met directly from revenue resources (CFCR) increases total net revenue expenditure in that particular year but

does not result in an increase in overall indebtedness. The Council uses these methods of funding capital expenditure as part of its long- and short-term capital financing strategy. The Council has several sources available to it in terms of borrowing to fund capital expenditure. The most significant of these is the Debt Management Office (an Executive Agency of HM Treasury), although the Council can also issue bonds and borrow from the money markets and the European Investment Bank. During 2024/2025 the Council's Capital Financing Requirement (CFR) increased by £144.9m, from £846.4m to £991.2m (refer note 28 on page 102). The CFR is a measure of the capital expenditure incurred historically by the Council that has yet to be financed in future years by charges against revenue. The figure includes outstanding financing liabilities under the Schools PPP, DBFM and Waste Project contracts, together with the sale and lease-back arrangement for Dundee House (financing arrangement). The Council manages its CFR level in line with the requirements of the Prudential Code. The Council's external debt was £922.1m at 31 March 2025 (£741.1m at 31 March 2024). The fact that this is below the CFR confirms the Council is not borrowing for revenue purposes and is partly funding its capital expenditure from existing resources.

In terms of treasury management, the Treasury Policy Statement sets out the policies and objectives of the Council's Treasury Management activities and the practices to be used to achieve these. There is a separate Treasury Management Risk Register which identifies the risks associated with Treasury Management Activity as well as the measures taken to minimise or mitigate these risks where possible. Whilst these risks are continuously monitored, the Risk Register is presented to the City Governance Committee on a six-monthly basis (in conjunction with Treasury Activity Reporting), and maintained within the Council's Risk Management system. The Treasury Management Strategy Statement and Annual Investment Strategy for 2024/2025, required by the Council's Treasury Policy Statement and the CIPFA Code of Practice on Treasury Management, stated that the 2024/2025 Revenue Budget had been set to include a provision of £22.429m for Capital Financing Costs, based on an average Loans Fund Interest rate of 3.85%. It identified a new net borrowing requirement in 2024/2025 of £102m which would be funded through phased borrowing during the year. During the financial year, there was £35m long-term borrowing undertaken and repayments of existing loans totalling £12.5m. This position was funded by use of cash reserves, short term borrowing and slippage within the capital programme.

Pension Asset / (Liability) (International Accounting Standard 19)

Under International Accounting Standard 19 (Employee Benefits) the Council is required to include figures in its Annual Accounts relating to the assets, liabilities, income and expenditure of the pension scheme for its employees. It has been estimated that the Council had a net pension liability of £28.4m as at 31 March 2025 (net pension liability of £32.2m at 31 March 2024). The net liability reduced due to changes in various actuarial estimates and assumptions.

Material Assets, Liabilities, Charges and Credits

There were no material transactions in relation to assets, liabilities, charges or credits out with the normal scale of activities of the Council during the 2024/2025 financial year, other than those already separately disclosed in the Accounts.

Accounting Policies (see note 1 to the Core Annual Accounts)

The Accounting Policies set out the basis upon which the Annual Accounts have been prepared and explain the accounting treatment of both general and specific items. During 2024/2025 there were no significant changes in the accounting policies shown in note 1 other than the implementation of IFRS 16 Leases as advised by CIPFA LASAAC. The 2024/2025 Accounting Code of Practice now requires IFRS 16 implementation, on the transition date of 1 April 2024.

IFRS 16 has had a significant effect on the Council's Balance Sheet. The first effect of the implementation of IFRS 16 has resulted in the recognition on the Balance Sheet of leased assets, totalling some £2.293m. These are disclosed as Right of Use assets in Note 27 Property, Plant and Equipment, and the corresponding liability is disclosed in Note 23 Leases. In addition, the implementation of IFRS 16 has required the remeasurement of Service Concession liabilities (PFI and similar arrangements). This has resulted in an increase of these liabilities of £74.158m. This is disclosed in Note 29 Private Finance Initiatives and Similar arrangements. There is no corresponding increase to the Service Concession asset values since these are already disclosed at Fair Value.

Please note that although IFRS 16 has increased the Council's indebtedness by a total of £76.451m, it has not and will not affect the cost borne by the General Fund. This is due to statutory adjustments made in the Accounts that result in the General Fund cost being equal to the lease payment, or unitary charge in the case of Service Concessions.

Public Finance Initiatives

The Council previously entered into three Public Finance Initiative (PFI) agreements:

- 2007/08 was the first year of a 30 year PFI contract with Discovery Education PLC to construct, maintain and facilities-manage six new primary schools and two new secondary schools in the city
- 2017/18 was the first year of a 25 year Design, Build, Finance and Maintain contract, commonly referred to as DBFM, with Hub East Central (Baldragon) Ltd to design, construct, maintain and facilities-manage a new secondary school in the city.
- 20 January 2022 was the starting point of a 25 year contract with MVV Environment Baldovie Limited (MEB) for the operation of a waste-to-energy plant and the disposal of residual waste. MEB designed and constructed the plant prior to that date.

In accordance with Finance Circular 10/2022, the Council has applied a permitted PFI Service Concession Arrangement (SCA) flexibility in financial year 2023/24 on a retrospective annuity basis to the three SCA's currently in place. The flexibility being applied is considered prudent, sustainable, and affordable over the life of the assets. By applying the flexibility a one-off combined pre 2023/24 retrospective saving of £39.773m has been achieved with the resultant benefit added to Council earmarked revenue reserves. In addition to the one-off retrospective element, cumulative budgeted savings occurred in scheduled debt repayments to 2024/25 of £4.255m. Debt repayment savings will be generated until SCA contracts have been repaid, followed by statutory charges over the remaining lives of the assets. Over the full asset lives of the SCA's the total repayment for the debt liability remains the same. The Council will manage the planned utilisation of SCA flexibility through an earmarked reserve specifically set up for this purpose.

Pension Fund Accounts

Dundee City Council is the administering authority for the Tayside Pension Fund. Further information can be found in the Tayside Pension Fund's Annual Report and Accounts which is available from the Fund's [website](#).

Financial Indicators

The following financial indicators are intended to support interpretation of the Annual Accounts and the Council's financial position and performance. They present a picture of the financial sustainability and affordability of the Council's financial plans. They also indicate how effective financial management is within the Council.

Category / Financial Indicator	2023/2024	2024/2025
<i>Reserves</i>		
Uncommitted General Fund Reserve as a proportion of Annual Budgeted Net Expenditure	2.1%	1.6%
Movement in the Uncommitted General Fund Balance	£0.585m	(£1.641m)
<i>Council Tax</i>		
In-year collection rate	94.9%	93.5%
Ratio of Council Tax Income to Overall Level of Funding	14.1%	13.7%
<i>Financial Management</i>		
Actual Outturn Net Service Expenditure compared to Budgeted Net Service Expenditure	102.1%	101.2%
Actual contribution to / (from) Unallocated General Fund Balance compared to Budget	£2.335m	£4.999m
<i>Debt / Long Term Borrowing</i>		
Capital Financing Requirement for the current year	£846.4m	£991.2m
External Debt Levels for the current year	£741.1m	£922.1m
Ratio of financing costs to net revenue stream – General Services	4.3%	5.5%
Ratio of financing costs to net revenue stream – HRA	36.6%	36.7%
Impact of Capital Investment on Weekly Rents	-£0.31	£0.35

PART 3 - KEY DEVELOPMENTS DURING 2024/2025

Achievements

The Council continued to make sure that the views of our citizens are heard in the planning and delivery of services, to ensure best use is made of available resources.

Over 3500 people and organisations took part in the annual budget consultation, a huge increase on the previous year, and their responses helped to shape spending priorities.

The budget consultation is just one of the ways the Council makes sure that the views of citizens are heard.

Voting took place for the public to decide which projects should receive support in the third phase of the Dundee Climate Fund, the first Council-led green participatory budgeting initiative in Scotland. They were voting on

community-generated ideas collected through extensive stakeholder engagement and public consultation, covering energy efficiency, active travel, reducing waste, improving biodiversity and increasing awareness of climate change. Already 22 city projects have shared around £750,000 from the first and second rounds of the initiative.

Efforts to encourage people to take part in participatory budgeting have seen the percentage of the council budget allocated by these methods surpass targets.

The City Governance Committee receives a report every year on improvements that have been made through listening to the views of customers and service users. Among many examples, the most recent report highlighted the commissioning of a mobile app by the environment waste team, the development of Dundee Women's Hub, support for people to make Council Tax payments and the installation of play areas.

During the past year, the Council continued to make good progress in implementing the City Plan, Council Plan and Service Plans, which are built around three key strategic priorities:

- to reduce child poverty and inequalities in incomes, education and health
- to deliver inclusive economic growth, and
- to tackle climate change and reach Net Zero emissions by 2045

On **reducing poverty and inequalities**, progress included:

- Allocating the package of £500,000 investment agreed at last year's budget meeting to a range of projects tackling social inequality, such as advice services, food provision and places where people can get a warm welcome. A successful communications campaign raised awareness of support available for those affected by the cost-of-living crisis.
- Education is one of the keys to tackling inequality, and the Council's 'Every Dundee Learner Matters' strategy is proving a success. An increasing number of Dundee pupils are moving into positive destinations when they leave school. More young people aged 16-19 from the most deprived areas of the city are also now participating in positive destinations, reflecting work that has been undertaken to help them into better futures. The year 2024/25 also saw four youth groups receive a share of over £50,000 to develop the numeracy skills of younger people.
- A new employability approach for young people - A Step Change on Positive Destinations for Young Dundonians - was launched. The latest Skills Development Scotland data shows that Dundee achieved the greatest increase in the country in the national Annual Participation measure of local 16–19-year-olds in education, employment or training in the last year.
- Over £1 million was put into the pockets of Dundee pensioners, thanks to a city-wide campaign to encourage people to apply for Pension Credit. Council Advice Services launched the campaign with Dundee Citizens Advice Bureau and Brooksbank to maximise the income of as many citizens of Dundee as possible over the state pension age. The average Pension Credit award was £63.51 per week, making a real difference to the lives of the recipients.
- Dundee was among the top areas in Scotland for progress on implementing Medication Assisted Treatment standards to provide care for people affected by drug and alcohol use. There has been year-on-year improvement and consistency in standards of care across the city. People now have fast access to treatment, a choice of medication prescribed to them, alongside wraparound supports, and are also supported to remain in treatment for as long as required.
- Almost 1000 people either homeless or facing the prospect of losing their home were rehoused by Dundee City Council in the last year. The Council met its statutory duty in 100% of those cases, and it continues to work to tackle the ongoing challenges posed by homelessness. Those efforts including bringing over 130 empty homes back into use.
- The Living Wage movement continues to have a high profile in the city. During the annual Living Wage Week, it was revealed that there are over 125 Living Wage accredited employers headquartered in Dundee collectively employing over 42,000 workers.
- The Dundee Promise is having a positive impact in supporting vulnerable children and young people. And the Council helped to launch the Dundee Carer Involvement Framework, setting out how carers in Dundee will be supported to have their voices heard and influence decision making in the future.

On delivering **inclusive economic growth**, examples of progress include:

- Significant progress being made on James Thomson House, a £26million development in the Waterfront which will provide 52,600 square feet of Grade A office accommodation when completed this year. It is part of the 30-year Dundee Waterfront Masterplan which has transformed the area with projects already delivered including V&A Dundee, the new railway station, Waterfront Place and Slessor Gardens.
- Community wealth building is helping to bolster the Dundee economy and support local jobs. Efforts to encourage local contractor spend in capital programmes resulted in over £24 million subcontract activity being spent locally. The Council's Procurement Strategy and Meet the Buyer events helped to create opportunities and maximise the benefits for communities in the city.
- Dundee was last year the first city in Scotland to develop the use of the Loves Local gift card to create a product specifically for tourists. Although organised by the Council, it brought together the variety of businesses and organisations operating in the tourism sector to launch an innovative and exciting product.
- January saw the next stage in the evolution of the Michelin Scotland Innovation Parc. Since the closure of the tyre factory around five years ago, this ground-breaking partnership has delivered an innovation hub, a skills academy, an accelerator programme, a home for start-ups and numerous local job opportunities. The transition of ownership in January is set to deliver a potential increased workforce of up to 600 and also an estimated £50 million investment in cutting edge infrastructure, technology and development.
- Legacy funding from the Business Loans Scotland scheme was used to bolster the city's life sciences sector through a Proof of Concept programme. The opening of the Dundee Life Sciences Innovation Hub creates an imperative to maximise the pipeline of spinout companies and to remove barriers to translating innovative research into commercial opportunity and job creation.

On **tackling climate change**:

- The Council has continued the transformation of the Bell Street multi-storey car park into a green transport hub, to aid people's transition to sustainable forms of transport in the future. Other developments included the opening of the Broughty Ferry to Monifieth active travel corridor and the installation of cycle storage facilities as part of the Council's Sustainable Transport Delivery Plan.
- The Dundee Local Heat and Energy Efficiency Strategy identified the scale of the opportunity for heat networks to decarbonise heat and improve energy efficiency in the city's buildings, with five prioritised heat network zones identified. This is vital for the future of the city and will represent an important way of meeting the Council's climate and net zero commitments, while also reducing heating costs and improving health and wellbeing.
- Meanwhile, Dundee's first ever Local Area Energy Plan set out a vision of what a net zero carbon energy system could look like for Dundee and what actions could be taken to support the city in delivering its 2045 net-zero target. Working collaboratively with key employers and stakeholders across the city, the Council is one of the first local authorities in Scotland to produce such a plan.
- Air Quality in Dundee has met all of the targets set in the ten locations where it is continuously monitored across the city. To further improve air quality and reduce pollution levels, enforcement began on Dundee's Low Emission Zone. The measures taken through this scheme benefit children, older people, those with existing underlying health problems, and everyone who breathes in the cleaner air.
- Dundee City Council won a number of national awards for its use of electric vehicles and drive to net zero. These included recognition for van decarbonisation, infrastructure strategy, accessibility strategy and our public sector fleet.
- A focus on biodiversity saw the planting of trees, creation of grasslands and meadows and a range of other actions. The Council benefited from £171,000 from the Scottish Government's directly funded Nature Restoration Fund to halt biodiversity decline, with an increased allocation to improve nature networks.
- The Take Pride in your City campaign continued to make a difference to the environment in Dundee communities, including 130 litter picks, enforcement to tackle fly-tipping and a successful bid for nearly £700,000 from Scottish Government's Recycling Improvement Fund for upgrades to Baldovie and Riverside Recycling Centres.

The Capital Plan 2025-30 approved in February 2025 will see investment of nearly £300 million in the city over the next five years, including:

- Investment in the school estate, notably in the completion of the £100 million Drumgeith Community Campus, which opened on 22nd August 2025 in the East End of the city. The building was constructed to meet Passivhaus certification standard, creating a building that is highly insulated, air tight and well-ventilated - ensuring have a sustainable low carbon energy efficient community campus.
- Sustainability is a key focus for the Council, with the investment of £74m in tackling climate change to help deliver the Council's Net Zero ambitions making up nearly a quarter of the Capital Plan. This includes energy efficiency measures in Council housing.
- A further £51m aimed to support the delivery of modernising Council Services including significant investments in IT and property infrastructure, waste management depot replacement and planned upgrades to the Ice Arena.
- Resources to fund the completion of the new commercial office development in the central waterfront.
- A long-term investment programme for the Council's housing stock that will aim to ensure these properties are as energy efficient as possible delivering benefits for both tenants and the climate. This will be delivered by ensuring these homes meet government Energy Efficiency Standards.

The Council continues to work with partners on the long-term regeneration of the city, to stimulate growth and investment, and to maximise the impact of The Tay Cities Region Deal and emerging projects such as Eden Project Dundee, the Life Sciences Innovation District and the Abertay cyberQuarter.

Welfare Reform

The Council continues to respond proactively and positively to the many challenges presented by welfare reform. Throughout 2024/2025 mitigation in the form of assistance to make and manage a Universal Credit (UC) Full Service claim online was provided by way of drop-in, face to face, telephone and appointment-based services (where necessary) to assist UC customers. Council Advice Services also continue to responding to the Universal Credit Migration Programme for those receiving Tax Credits, helping individuals to make claims at the correct time and make sure their Tax Credits are correct prior to migration. The service has uncovered several significant issues with the migration programme that we have linked in with the local Department for Work and Pensions to correct. Money advice support was also provided by Council Advice Services as well as through the Connect Service which is back in place across 13 different Dundee community outreach venues.

Council Advice Services (incorporating Welfare Rights, Dundee Money Action, Connect, Scottish Welfare Fund and Dundee Energy Efficiency Advice Project (DEEAP)) continue to offer advice and assistance to those affected by Welfare Reform and the cost of living crisis. The Council's Single Point of Contact continued to address welfare reform and debt issues from the public via its dedicated email address and single access point number (01382 431188).

In 2024/2025 Council Advice Services successfully claimed £17 million in benefits and additional income for customers, up from £12 million in 23/24.

This underlines the increasing need for support from Council Advice Services and this is backed up by the fact that Council Advice Services Advice line took 9004 calls in 2024/25 and the Scottish Welfare Fund took 15,483 calls in 2024/25.

The Scottish Welfare Fund continued to face exceptional pressure in relation to the high number of applications needing to be processed from vulnerable Dundee citizens. In 2024/25 the small team of 5 decision makers took 8114 Crisis Grant applications and 3973 Community Care Grant applications (Total 12,087 applications in 2024/25) and processed the vast majority in the 1 working day and 15 working day turnaround times respectively.

Fuel support continued to be offered with targeted support to mitigate against fuel cut off and fuel debt. The DEEAP team also continued to distribute soft measures such as energy lightbulbs, draught excluders, air fryers and microwaves to reduce energy costs and provide more affordable cooking options for households. Overall DEEAP made 3346 energy interventions for customers in 2024/25. Council Advice Services and Customer Services also worked with partners across the Council and beyond to support those struggling with food and fuel costs.

Council joint working has also continued to promote income maximisation support for citizens of Dundee. The GP practice co-located Welfare Rights Officer service continues to provide advice in health care settings and is now available to 88188 patients in 12 GP practices across Dundee (8 from Council Advice Services, 4 from Brooksbank). A further practice is looking to come on board in 2025. In 2024/25 the 8 practices operated by Council Advice Services practices generated £3,542,244 in benefit gains. In addition, the Maternity and Health

Visitor benefits advice referral service has been offered to all new mothers in Dundee generating £595,673 in 2024/25.

The Connect Service is currently working alongside Dundee Schools to co-locate Connect officers in Secondary School locations. The Morgan Academy pilot was also expanded to Baldragon Academy, Craigie High and Braeview Academy. In total the 4 schools saw gains of £852,574 for families in 2024/25.

Connect, Welfare Rights and Citizens Advice Bureau embarked on a Pension Credit take up campaign in the last week in February 2024. In the year 2024/25 this take-up campaign was expanded and reached 598 households in Dundee generating £2,794,226 in gains for older people. The Macmillan benefit advisers working in partnership with oncology and cancer wards also helped claim £2,113,601 for 912 Dundee Citizens affected by cancer in 2024/25.

Referrals from Corporate Debt and Benefit Delivery Team for income maximisation have continued in an effort to promote a continuous improvement model of working. The Council has also worked with Aberlour Trust and Dundee Fighting for Fairness to review debt recovery practice in Dundee in light of recent research into the impact of public debt by the Robertson Trust.

Integration of Health and Social Care

Dundee City Integration Joint Board (DCIJB) became responsible for the strategic planning, operational management and oversight of delegated health and social care services with effect from 1st April 2016 under the Public Bodies (Joint Working) (Scotland) Act 2014. The Board consists of six voting members appointed in equal number by NHS Tayside and Dundee City Council with a number of representative members who are drawn from the third sector, staff, carers and service users. The relationship between DCIJB, NHS Tayside and Dundee City Council is set out within the Integration Scheme for Dundee. The Chief Officer of the DCIJB is an integral part of Dundee City Council's Management Team and the Board also receives professional financial advice through its Chief Finance Officer. A revised version of the Integration Scheme was agreed by all parties and signed off by the Scottish Government in late 2022.

Dundee Health and Social Care Partnership (DHSCP) is the integrated operational delivery service responsible for the implementation of the DCIJB's Strategic Commissioning Plan, with the revised Strategic Commissioning Framework 2023-2033 being approved in April 2023. The 'plan for excellence in health and social care in Dundee' builds on the previous framework and reflects the outcome of considerable engagement with communities and stakeholders. The plan reinforces the IJB's commitment to tackling health inequalities, promote and support self-care, ensure the IJB both plans and works together with the community to deliver health and social care services, improve access to services and valuing the workforce.

Over the course of 2024/2025, DHSCP services continued to provide and develop health and social care services to meet the needs of Dundee's adult and older people population. The focus remains on the ongoing improvements of integrated multidisciplinary pathways of care which promote early discharge from hospital and the provision of care, rehabilitation and treatment closer to home wherever possible. Early intervention and prevention continues to be a key strategic priority to continue to shift the balance of care. Dundee Health and Social Care Partnership is a key part of the Dundee Partnership and continued close working with Children and Families Services and other council services is crucial to delivering better outcomes for the people of Dundee particularly in relation to tackling the impact of the city's demographic and health inequality challenges, drug and alcohol issues and increasing mental health problems.

Due to the increased cost and demand pressures in 2024/2025, Dundee City IJB was required to develop a Financial Recovery Plan at a result of the projected unplanned overspend position and insufficient reserves to fully support this. A variety of actions and controls were implemented to reduce the unplanned overspend which resulted in the financial position improving during the second half of the financial year. Looking ahead, the financial, demographic demand and cost pressures faced by DCIJB are mirrored in other IJBs across the country and the challenge to maintain spend within allocated resources may impact on the pace and scale of delivery of DCIJB's Strategic Commissioning Plan.

Our People

Our People Strategy 2022-27 sets out clearly our agreed culture and values to support the Council's ambitious direction for the transformation of our workforce and is aligned with all other Council plans and strategies.

Some of the key elements of the spirit of Our People Strategy realised within 24-25 are:

Policy Improvement and Updates

- Implementation of a Bereavement Leave policy to support staff during times of personal loss. This policy is designed to provide employees with the necessary time to grieve and manage their affairs without the added stress of work obligations. By allowing our staff to take the time they need to heal, we believe

this policy will contribute to their overall well-being and enable them to return to work feeling more supported and valued.

- The Council's Hybrid Working Policy was initially introduced in 2022 in response to the changing work environment necessitated by the Covid pandemic, and also to enable the workforce to deliver services in newly adopted ways of working. In recognising the positives of a better work/life balance, increased flexibility and a resilient workforce, further development of the policy was implemented in 2024. Workstyles were changed and a minimum of 2 days per week/onsite/office-based working cited to reinforce positive interactions with colleagues and ensure a strong team connection.

Work was undertaken in 2024/25 to propose and agree the approach to a Voluntary Severance/Early Retirement Scheme. The Council works in an environment of constant change, where achieving Best Value is a statutory requirement and where public accountability is necessary. There is a need to review and continually improve performance and service provision by undertaking work more efficiently and effectively. In recognising our responsibility to protect security of employment and the need to retain the skills and knowledge of our workforce, at times, however, changes will result where, on occasion, a need to reduce the size of the workforce will arise. This will be done through planned changes as far as possible by reaching outcomes through consultation and mutual consent.

Digital and Data Improvements

- Continued provision of high quality of the workforce data provided to all services to support the monitoring of employee absence and workforce planning.
- People Services has embraced the Council's Digital Strategy by continuing to digitally transform their processes using service design principles. People Services map processes using Engage Modeler software and obtain feedback from various stakeholders across the Council, involving them in developing and implementing new digital solutions. The aim is to streamline all People Processes making them easy to find and follow with clear help text, minimum input, or manual intervention using integrations to systems such as Resourcelink HR/Pay system to reduce input for managers, and to SharePoint to reduce manual filing. There are several processes already digitally transformed including, Establishment Change Note (ECN), Change to Employee Working Arrangements (CTEWA), Post to post reporting and location changes, Quality Conversations, Leaver's Process, Post List Audit, Post List Request and Employee File Access. There are several processes currently under development including, HR Case Management, Health and Safety Incidents, Projected End Dates and Recruitment Process. People Services will continue to improve their services for users.

Employee Health and Wellbeing

- A focus on employee wellbeing continues to be a key priority. 2024 saw the appointment of the Council's Employee Wellness Advisor. This innovative post continues to support a culture of wellbeing across the organisation with the additional ambition of supporting an overall reduction in absence and encouraging a timely return to work.
- Other wellbeing activity in 2024 included work to explore opportunities for improving our response to absence. Focused on our 3 highest absence areas, Construction, Early Years/Kingspark School, and Dundee Health & Social Care Home Care Teams, this work gave an opportunity for Employees, Managers and Trades Union Representatives to share their views on improvements, based on their experiences.
- In 2024 we undertook Wellbeing Roadshows to coincide with our annual flu vaccination programme. The Council also held Roadshows within Construction and Social Care. This introduced our Employee Health & Wellbeing supports to many individuals across the workforce who are deemed to be traditionally "hard to reach" due to the nature of their job role. On average we reached around 450 employees across the three locations.
- The Health and Wellbeing Framework was also updated in 2024 to acknowledge successes achieved, set new milestones targeted interventions.
- 2024 also saw the introduction of our new Employee Assistance Programme, which is a free to access resource, available 24/7, 365 days a year. This resource offers mental, physical, financial or personal health support and expert advice through a trained counsellor or support expert. This is a resource for all employees and is promoted widely as part of the range of wellbeing offers. The Council also continues to work closely with Able Futures, the Department of Work and Pensions Access to Mental Health Support Service.

Health and Safety

The Health and Safety Team have continued an improvement journey to ensure that:

- equitable levels of health and safety assistance are provided across the organisation by adjusting advisers' portfolios to more accurately reflect operational demands

- health and safety information is understandable and accessible to all by updating guidance and refreshing OneDundee content and health and safety training is relevant and targeted, providing services with the skills and knowledge they require; recently updated guidance and training includes CoSHH, ladder safety, fire safety, and a full review of risk assessment guidance and training is planned for 2025
- digital opportunities are identified and taken, where appropriate, to deliver efficiencies for the organisation and the team; a new digital incident reporting system is due to go live across the organisation in 2025

Employee Learning & Organisational Development

- In 2024 the new Learning Hub was launched. Utilising our Office 365 SharePoint features, this new “one stop shop” offers all employees access to information to support learning needs.
- The Leading Team Dundee network continued to flourish throughout 2024, with a relaunch event in May 2024, and new SharePoint site and MS Team, and additional events in August and December.
- The Council's e-learning platform offers a wide choice of leadership and development options for self-directed learning, to either build on and develop existing leadership, or to provide a foundation for learning for new and emerging leaders who want to strengthen their understanding of their leadership role.
- The new Managers' Induction Resource supports managers in their management function, and also to develop as leaders and grow their skills in leading teams.
- Building on the work as a Trauma-Informed organisation, a new suite of learning materials and workshops based on a trauma-informed understanding Human Behaviour was also introduced in 2024, embedded in the Leading Team Dundee offers. Our Workforce Lived Experience group continues to offer advice and guidance in offering a trauma informed view of new or amended policies and procedures implemented across the organisation.

Appraisal/Quality Conversations:

- The Council introduced annual quality conversations in 2023, replacing the Employee Personal Development Review (EPDR), to ensure all employees have formal time to reflect on their work and identify development needs. These conversations, which include annual, regular 1-2-1, and team check-ins, are recorded and monitored by the Corporate Leadership team. In 2024, the Council recorded 32,749 instances of training and development.

Employee Voice

- The 2024 employee satisfaction survey was issued to all council employees in May 2024. Four key themes emerged: Wellbeing, Recognition, Employee voice and Engagement and Learning, Development, promotion and Internal Movement. These themes were explored further using employee survey discussion groups held during January and February 2025.
- The results of the employee survey and discussion groups were reported to Council Leadership Team in April 2025 and an action plan is being developed.

Equality, Diversity and Inclusion in the Workplace

- The Council is committed to introducing measures to reduce our gender pay gap and any inequalities in specific areas. The council is developing SMART objectives to show how we intend close the gap and address inequalities.
- We continue to offer flexible working opportunities for all employees at all levels to accommodate diverse needs and responsibilities and continue to have quality developmental conversations with employees to encourage employees to develop into higher graded posts.
- Work continues to improve the existing non-disclosure rates aligned to equalities definitions
- The Council is committed to developing its workforce and providing job opportunities for the young people of Dundee. 62 young people in 2024 were undertaking apprenticeships within the Council ranging from traditional trades apprenticeships to Social Care, Business Administration and Information Technology, graduate apprenticeships, work experience graduates etc. The apprenticeships range in duration from one year to four years and the qualifications range from SVQ to degree level. On the successful completion of the apprenticeship, many of the young people will be placed in the post permanently, subject to a competency-based interviews.

Next Steps/Looking forward

The Council has been developing and will implement a Neonatal Care Leave and Pay Policy in April 25, in line with legislation to support parents of newborn babies who required neonatal care.

The Council's Promoting Health and Attendance Policy will be updated in May 25 to reflect changes in terminology and greater clarification of available supports, roles and responsibilities.

Work is underway to finalise a Death in Service Protocol in early 25/26. This details the different supports on offer to colleagues, in addition to how we appropriately and sensitively communicate with a next of kin. It also details the role of the line manager, Head of Service, and the relevant teams within Corporate Services, ensuring all parties are aware of their responsibilities.

Discussion is underway to implement a framework for negotiation and consultation with recognised trade unions. The spirit and intent of this agreement aligns with the Fair Work First principles and the parties to this agreement will continue to work and to promote and maintain a positive and constructive employment relationship between Dundee City Council and its workforce as well. In particular, the framework will specify our approach to Trade Union recognition and the collective bargaining relationship between the Council and its recognised Trade Unions.

Awards

During 2024/25, the Council was recognised nationally and locally for some outstanding achievements and innovations:

- Dundee City Council has received a number of awards over the year for its drive to net zero and use of electric vehicles (EVs). These included Logistics UK: Van Decarbonisation Winner; EVIES Awards: Public Sector Infrastructure Strategy of the Year; Solar & Energy Awards: Best Accessibility Strategy/Project; London EV Show Awards: Sustainability Award Winner; Greenfleet Awards: Public Sector Commercial Fleet of the Year & EV Champion 2024.
- Removing Barriers to Employability: DFN Project SEARCH Ninewells, a partnership project including the Council, received the SURF Award for Best Practice in Community Regeneration. This project supports young people with diverse additional needs into meaningful employment.
- A pair of Dundee City Council projects were recognised at the Dundee Institute of Architects awards. Derby Street won the Best Regeneration Award and Supreme Award, and Ellengowan Phase 1 scooped the Best Group Housing Award.
- Schools have been award-winning too. During 2024, both St Ninian's RC Primary School and Rowantree Primary School received Gold awards from UNICEF UK's Rights Respecting School Programme, while Craigiebarns Primary won the SportScotland Gold School Sport Award.
- In 2024 Dundee City Council won a prestigious national APSE (Association of Public Service Excellence) award for the Linlathen Fairness Initiative, in the Best Collaborative Working category. The award recognised efforts by the council and its partners in tackling poverty and inequalities in one of the most disadvantaged areas of the city. Residents of Linlathen have benefited from this partnership due improved access to advice and support, enhanced opportunities for families to participate in free activities, access to further education at Dundee and Angus College for young parents and access to free childcare to reduce barriers to employment.

Sickness Absence

The Council's sickness absence figures for LGE and teacher staff combined are expressed as an average number of days lost per FTE as follows:

2019/2020	11.81
2020/2021	10.39
2021/2022	12.14
2022/2023	13.60
2023/2024	15.06
2024/2025	15.32

Dundee City Council's sickness absence has increased over the last year. Dundee City Council continue to work collaboratively with the Trade Unions on the Health and Wellbeing agenda. Supports such as the [Council's health and wellbeing service](#), providing training courses to equip managers with the knowledge, understanding and flexibility to deal with absences, as well as providing family/friendly policy which provide a good work/life balance for employees have unfortunately not resulted in a reduction in absence.

People Services understand the importance of data analytics surrounding absence and continue to provide a wealth of data in relation to sickness absence through the absence dashboard to help identify trends and areas of high levels of absence. People Services are using this data to work collaboratively with services to support managers to reduce absence in their service, and in turn reduce absence overall in the council. People Services are providing monthly absence statistics to the Corporate Leadership team as well as a breakdown of the outstanding actions and monitors to support managers to manage absence. Services have access to run monthly absence reports through the absence dashboard to discuss at their Senior Management team meetings.

The percentage of absence due to mental health and wellbeing reasons has increased from 37.38% to 39.70% for all employees. Moving forward, People Services in collaboration with services will concentrate efforts in supporting employees with Health and Wellbeing.

A focus on employee wellbeing continues to be a key priority for the Council. In addition to rebranding our front facing information to employees, a new post of Employee Wellness Advisor was created and recruited to, with our Advisor being in post since September 2024. The key focus of this role being on supporting wellbeing across all areas of the council, but in particular those areas where there are high levels of sickness absence.

Throughout the latter 6 months of 2024 a large-scale project focusing on the experiences of employees, managers, and Trades Union colleagues was undertaken. This project explored the reasons for sickness absence, where our policies and processes could be improved, and identified awareness of wellbeing supports and resources. This support was offered to nearly 1500 employees from 3 council areas with the highest level of sickness absence. This gave their managers and Trades Union representatives who support absence an opportunity to submit individual responses and/or attend a series of focus groups to share their views. The final report indicated a number of specific actions which are currently being progressed. Some of these actions include reviewing and revising the absence management policy and systems, promoting the resources delivered through the Council's Health and Wellbeing Support Services, having Support Wellbeing Ambassadors in all workplaces and further develop the promoting health and attendance training to increase awareness of the Occupational Health Services.

2024 also saw the introduction of our new Employee Assistance Programme, which is a free to access resource, available 24/7, 365 days a year. This resource offers mental, physical, financial or personal health support and expert advice through a trained counsellor or support expert. This is a resource for all employees and is promoted widely as part of the range of wellbeing offers. The Council also continues to work closely with Able Futures, the Department of Work and Pensions Access to Mental Health Support Service. This service is targeted at individuals in paid employment who are experiencing issues such as anxiety, depression or stress, or are struggling to deal with problems such as debt, disrupted sleep or relationship breakdowns that may be affecting their mental health. Able Futures offers support from a mental health professional who will support employees to make a plan to help optimise mental health and facilitate a timely return to work if an individual is absent from work.

Our Workforce Lived Experience group continues to offer advice and guidance in offering a trauma informed view of new or amended policies and procedures implemented across the organisation.

In 2024 we undertook Wellbeing Roadshows to coincide with our annual flu vaccination programme. The Council also held Roadshows within Construction and Social Care. This introduced our Employee Health & Wellbeing supports to many individuals across the workforce who are deemed to be traditionally "hard to reach" due to the nature of their job role. On average we reached around 450 employees across the three locations.

In December 2024, the Chief Executive hosted a corporate leadership conference, aimed at all senior leaders across the council and key partners such as Leisure and Culture Dundee and Dundee Health and Social Care Partnership. The theme of this event was "Leadership for Wellbeing", and participants had the opportunity to hear about council wellbeing initiatives, explore leadership to support wellbeing, and listen to input from our Occupational Health providers to continue to support health and wellbeing in their service area.

All these measures will be monitored with an expectation that, together with the ongoing collaborate work between People Services, services and Trade Unions, attendance levels will gradually improve.

Climate Change and Sustainability

The Climate Change (Scotland) Act 2009 places duties on the Council requiring it contribute to carbon emissions reduction targets; contribute to climate change adaptation; and to act sustainably. Tackling Climate Change and reaching Net Zero is therefore one of the strategic priorities detailed in the Council Plan and in Dundee Partnership's City Plan.

In 2019, Dundee City Council declared a climate emergency, recognising the serious and accelerating environmental, social and economic challenges presented by climate change. In response, a city-wide Climate Action Plan was codesigned with public, private and community partners, with a first set of ambitious actions under the themes of Energy, Transport, Waste and Resilience to support Dundee City in a just transition to a Net Zero and climate resilient future by 2045 at the latest.

The Council is leading the transition across the city and over the past year, has developed its own organisational Net Zero Transition Plan with its seven Service Areas. The Plan was approved at Committee and published in 2023, with annual progress on the plan reported to committee in January 2025. This Plan outlines the Council's organisational approach and emissions reduction programmes to achieve its goal of Net Zero by 2038, in line with the Scottish Governments Heat in Buildings targets, to make public sector non-domestic buildings net zero direct emissions by 2038. The plan covers Emissions Reduction, Circular Economy, Climate Resilience and Just Transition. The implementation commenced in Spring 2024, with Governance, Monitoring and Reporting Frameworks agreed with Services.

The Sustainability & Climate Change (S&CC) team has led on the development of the Council's statutory Local Heat and Energy Efficiency (LHEES) and the LHEES Delivery Plan, which were approved at committee and published in April and November 2024 respectively. These important statutory duties have set long term plans for energy efficiency and decarbonisation of heat in buildings to reduce emissions and tackle fuel poverty. In Dundee, LHEES was delivered as part of wider Local Area Energy Planning (LAEP) process – a plan to decarbonise the whole local energy system considering renewables, heat, energy demand and supply, transport electrification and heat networks. Following on from the LHEES, Dundee's LAEP was completed and approved at committee in September 2024. The outputs of the LHEES and the LAEP are visualised in an innovative web-based GIS tool – Lenza, developed through a Regional Energy Systems Optimisation Planning (RESOP) partnership with Scottish and Southern Energy Networks (SSEN). The outputs of LAEP and LHEES will be developed into decarbonisation and energy efficiency projects across Dundee.

A network of managers and officers has been established to form the Net Zero Transition Plan Officer Group, aimed at supporting the Council in achieving its Net Zero target. This group is committed to engaging and collaborating with colleagues, demonstrating best practices, sharing knowledge, and promoting the Council's actions against climate change. Additionally, the group will support the collaborative actions outlined in the LHEES Delivery Plan.

Climate change reporting is mandatory across the public sector in Scotland. The introduction of this standard reporting regime aims to improve the quality of climate change information being reported and to ensure that a consistent approach is adopted across the public sector in Scotland. Required reporting focusses on corporate emissions arising from organisational operations and service delivery, as well as key information on: Organisational Profile; Governance, Management and Strategy; Adaptation; Procurement; and Validation.

The Council's latest mandatory Public Bodies Climate Change Duties Report (PBCCDR) is available to view [here](#)

The S&CC team has completed the first phase of a Heat Decarbonisation Plan to determine which of the Council's own non-domestic buildings have the most emissions; the total renewable energy generation capacity of these assets and the most suitable renewable or low carbon heat technology for these properties; an initial cost/benefit analysis of decarbonising the heat demand of the properties has also been undertaken.

In addition, the S&CC team has led on the establishment of a regional climate adaptation partnership with Perth & Kinross and Angus Councils - Climate Ready Tayside, which launched in March 2025. Workshops were held across the region with various sectors to develop a vision and priorities for adaptation action. A business case, commissioned by Adaptation Scotland, outlines a 5-year route map for the partnership. Each Council has now completed a new or refreshed Climate Risk and Vulnerability Assessment, and synergies will be identified between them to develop cross regional adaptation projects.

The S&CC team also led on a Climate Data Literacy Capacity Building Programme during 2024, funded through a Scalable Cities Action Grant. The main aim of the project was to provide key staff with the knowledge and skills to effectively work with emissions related data; an increasing requirement of our Net Zero plans and the Local Heat and Energy Efficiency Strategy. Outcomes were 25 staff trained, a repository of training materials and data collaboration within departments leading to informed decision making for Net Zero.

In addition, the Sustainability and Climate Change (S&CC) Team have led three rounds of Green Participatory Budgeting, the Dundee Climate Fund. The Dundee Climate Fund (DCF) has a total of £750,000. The public voting period for DCF Round One concluded at the end of March 2023 and 11 projects were successful in securing a share of £375,190 funding. The second round of the DCF was launched in April 2023, following which 15 projects were assessed by the Review Panel and 10 projects were subsequently successful in securing a share of £279,647 at the end of March 2024. The DCF Round 3 was completed in March 2025 awarding 5

projects a share of £106,762. An underspend of £15,509 has been reclaimed from Round 1, and will be reallocated to suitable DCF 3 projects.

The S&CC team also supports the Dundee Climate Leadership Group, which was established in 2021 to provide active leadership on Dundee's net-zero challenge, leveraging expertise from across the city in order to engage and inspire collective ownership and a shared commitment to tackling climate change.

In addition, the team coordinates the Sustainable Dundee Network, which was established to collaborate on public engagement of climate change issues across the city and includes over 20 different organisations from the public, private and community sectors.

Finally, Dundee has been recognised as one of 119 cities across the globe that are taking bold leadership on environmental action and transparency, despite the challenging global economic situation. The charity CDP gave the city an A rating in its rankings based on actions being taken to tackle climate change. Only 26 UK local authorities achieved the highest rating, with Dundee, Perth & Kinross and Edinburgh as the only Scottish recipients.

PART 4 - PLANS, PRIORITIES & RISKS

Strategic Planning

The shared vision for our city set out in the Dundee Partnership's City Plan 2022 – 2032, reflects a consensus in the city which we can all work towards and is set out as follows:





The new **City Plan for Dundee 2022-32** (Dundee's Local Outcome Improvement Plan) agreed in September 2022, built on the work that was undertaken through the collective efforts of our communities, private, public and third sector partners.

It was created after listening to the people of the city, and focuses on three key priorities:

1. Reduce child poverty and inequalities in incomes, education and health
2. Deliver Inclusive Economic Growth
3. Tackle Climate Change and reach Net Zero emissions by 2045

For the next five years of this ten-year plan, the commitment and focus is on making sure the Council can report on the social transformation of the city in same positive terms as the economic one. Dundee, like many urban areas, has major social challenges to overcome. It is also clear that the pandemic and the cost-of-living crisis will exacerbate the challenges faced by the city.

The **Council Plan 2022-2027** is the strategic plan for Dundee City Council as a corporate entity. It aims to set out the main corporate approaches, priority targets and actions, and key strategies for the purposes of public accountability on delivering on our priorities.

It adopts three strategic priorities from the City Plan and sets out how the Council will play its part in achieving the vision set out in the City Plan.

This plan also sets out Dundee City Council's main organisational priorities, key actions and how we will measure progress. The targets across all priorities are bold and ambitious but so are the challenges to be overcome along the way.



The five strategic priorities in the new Council Plan are:



The Council has a vital role in enabling transformational change to meet the needs of the city and at the same time maintain the financial sustainability of local services. Over the next five years, the Council will continue to work with partners, businesses, citizens, and communities to tackle challenges and grasp opportunities.

Many uncertainties still remain about the impacts of the UK withdrawing from the EU and the cost-of-living crisis. The Council will pay particular attention to the impact on the local economy; on the funding of employability, social inclusion, regeneration, and support for key business sectors; and on the work of our universities and colleges, which play such a key role in the city. As a Council, we will continue to provide best value and are committed to continuing to change for the future. Given the ongoing financial uncertainties the Council will need to look again at how it designs and delivers its services. That will also affect how the Council designs its budgets and income, its service structures and workforce planning to ensure that it is working in the most efficient, effective, and innovative ways to deliver on the priorities set out in this Plan.

The people who work for the Council, organisations across the city and community groups that work with us, have shown their resilience and creativity in particular through the pandemic and we need to harness that spirit and 'can-do' approach.

Underpinning the City Plan and Council Plan are Committee approved Service Plans covering all strategic service areas.

Transformation

Delivery of this sixth phase of the Council's transformational programme (**Design a Modern Council**) will support future financial plans and long-term sustainability, better services to citizens and improving outcomes for all.

The key themes within scope for this next phase of our transformation programme are set out in the Council Plan 2022-2027 as follows:

- Property Rationalisation,
- Digital Council,
- Service Re-design,
- City & Regional Shared Services and
- Payments and Income Generation

The Council's transformation programme needs to be bold and ambitious and outline how the Council is continuing its journey, responding to a changing world by embracing new technology and ways of working, and meeting the needs of customers and communities.

The new five-year programme will need to radically redesign services to meet changing demographics and demands, environment and technology, community empowerment and embracing new ways of working to address this challenge.

The Council will know it has delivered on its vision of a **Modern Council** for the future, as it will:

- be lean and efficient with a clear set of priorities that deliver for Dundee citizens and communities, focusing resources where they can make the biggest difference.
- have a clear purpose and understanding about what the Council is best placed to deliver.
- have a structured approach to designing services with people and local communities.
- have adaptable and flexible structures which promote working across organisational boundaries with greater employee empowerment, integrated teams and agile workforce.
- help communities become more self-reliant and resilient doing more for themselves.
- work in collaboration more to moving partnership working across the city from good to great.
- have a values-based culture that will unlock and develop the skills and potential of our workforce.

Management of Risk

The Council's risk management arrangements are now well established. The Risk and Assurance Board, which is chaired by the Executive Director of Corporate Services as Senior Responsible Officer for Risk, has been in place since June 2022 and meets every 2 months. Service Level risks are considered at each meeting, including any requiring consideration for inclusion in the Corporate Risk Register. Regular discussions of the Corporate Risk Register are held.

Risk management processes are embedded across all Service areas and there is ongoing use of the Council's risk and performance management system for review and monitoring purposes.

Risk is considered in decision making and development of strategy, and the Corporate Risk Register is also reviewed by the Council Leadership Team on occasions throughout the year taking account of output from the Risk and Assurance Board. Risk Management is also reported to the City Governance Committee and Scrutiny Committee in line with the Risk Management Policy and Strategy.

The 2024/25 Risk Management Annual Report was presented to the City Governance Committee on 9 June 2025.

Performance

The Council's Performance Management Framework 2025-28 was approved by the City Governance Committee on 21st April 2025. This framework outlines how accountability is distributed throughout the Council, and establishes the standards required for balanced and effective public performance reporting and which underpins continuous improvement.

It has incorporated new requirements set out by the Statutory Performance Information Direction 2025, as well as recommendations from an internal audit of the performance management system. A key new part of this Framework is the development of formalised standards required for the key strategic plans of the City Plan, Council Plan, and Service Plans. This includes how our performance management system is to be used to monitor and analyse data, and track progress, and that performance reports must include specific data tables to show progress on actions and PIs and highlight key areas for improvement with improvement actions plans when these are reported to elected members and the public. As such, this Framework continues to effectively support the Council's delivery of the Council's Vision, Priorities and Outcomes.

Regular reporting at City, Corporate and Service level keeps our key stakeholders, including our communities, elected members, and partners up to date on our performance. This is key to ensuring informed judgements are made about our services, to support effective decision making and to challenge performance.

The Council Plan 2022-2027 has 22 Key Performance Indicators (KPIs). The 2024/25 mid-year progress report was reported to City Governance Committee on 18th November 2024. This showed that 77% of the performance indicators improved compared to the previous year's data and 64% reaching or within 5% of the target set for the current year. The report outlined key positives for young people living in SIMD1 areas, including an improved overall total tariff for school leavers from 568 to 592 between the 2022/23 and 2023/24 academic years, and an increase in positive destinations for 16–19-year-olds from these areas, from 84.1% in 2022/23 to 87.3% in 2023/24. The report also noted the progress that has been made on the three recommendations from the Best Value Thematic Review 2023 for community asset transfer, participatory budgeting and long-term financial strategy. The report identified areas for improvement in relation to Council's energy consumption and carbon footprint, and town vacancy rates and updates on these areas for improvement will be included in the next progress report. The third annual progress report for 2024/25 will be reported to the City Governance Committee on 23 June 2025.

The second annual progress report on the City Plan for Dundee 2022-2032 went to the City Governance Committee on the 2nd December 2024. The summary of the City Plan performance showed that 57% of the performance indicators have improved when compared to the previous year. The 'reduce child poverty and inequality' theme has achieved improvement in 50% of its performance measures, 'deliver inclusive economic growth' has achieved 60%, and 'tackle climate change and reach net zero emissions by 2045' has achieved 67%. The Plan contains ambitious targets, and 15 of the 30 indicators met or are within 5% of the target.

Benchmarking is also used to compare the Council's performance with other organisations to support the improvement journey. The Local Government Benchmarking Framework (LGBF) provides performance data for all 32 local authorities in Scotland and as well as comparisons, the framework holds trend data back to 2011 for most of the indicators. It therefore provides valuable trend-based insights as well as robust comparisons.

The Council's Performance Management Framework includes using benchmarking in this way as a key method of delivering Best Value. The latest report on the 2023/24 data compares Dundee's performance with those Local Authorities in its family group as well as comparisons across Scotland. There are 40 LGBF indicators that are aligned with the 5 priorities in the Council Plan 2022-2027. These indicators are summarised in the table below which is from the report to City Governance on 12 May 2025. It is based on the comparison with the family group of similar authorities and shows the percentage where Dundee is on target, which is defined as where Dundee is performing better or equivalent to the family group average. Using this method the Council obtained an overall performance rate of 45% of the 40 measures used where Dundee was on target. Two strategic priorities relating to Reduce Child poverty and inequalities in incomes, health and education (8 out of 14) and Creating Inclusive Growth and Community Wealth Building (6 out of 10) show Dundee comparing well in general in these areas compared to the other urban areas in Scotland.

This summary compares Dundee with its Family Group and shows where Dundee compares better than the family group average.

PRIORITY	On Target	Total Measures	%
Reduce Child poverty and inequalities in incomes health and education*	8	14	57%
Create Inclusive Growth and Community Wealth Building	6	10	60%
Tackle Climate Change and achieve net zero by 2045**	1	4	25%
Build resilient and empowered communities	1	4	25%
Design a modern Council	2	8	25%
TOTAL	18	40	45%

*Two indicators within this priority are 2022/23.

**Two indicators within this priority are 2022/23. One indicator is 2021/22.

Dundee Performs on the Council's website is kept up to date with the latest performance and progress reports on the Council and includes easy to use graphs on a wide range of the key performance areas and benchmarking data to compare Dundee with the other Councils in Scotland.

Best Value

A new approach to auditing and reporting on councils' performance against their duty of Best Value is underway. This new approach requires reporting on Best Value thematic areas directed by the Accounts Commission within the Annual Audit Reports each year of the 5-year audit appointment.

During year one of the new audit programme, a Best Value Review of the effectiveness of the Council's Leadership in developing new local strategic priorities following the elections in May 2022 was undertaken.

Notable findings from the Review include:

- Effective leadership provided by officers and elected members is an area of strength for the Council. The Commission noted clarity and coherence of the Council's vision and planning, its alignment of resources with priorities, and its fair and balanced public performance reporting.
- A commitment to community empowerment and engagement comes through strongly in the Council Plan and in the evidence of how this is being delivered in practice.
- Financial management and planning is sound. Challenges remain around delivery of the capital programme, but this is also showing signs of progress.
- The Council has a commitment to continuous improvement, and the Commission encouraged elected members and officers to share their approach to this with other councils.

For Year 2 of the new approach, a Best Value Thematic Review of workforce innovation and how councils are responding to workforce challenges through building capacity, increasing productivity and innovation was undertaken. The report on Dundee City Council's workforce innovation was issued in August 2024 and confirmed that the council has a workforce plan to ensure it has a skilled, flexible, high performing, motivated and well managed workforce support the delivery of its strategic objectives, and that detailed service-level workforce data is provided to services to assist with workforce planning. However, this report also outlined that the Council needs to ensure that the Workforce Plan aligns with its service plans and digital strategy. As part of the review, 7 recommendations were agreed and are being implemented and monitored by colleagues in Corporate Services via their service plan:

- Alignment of Strategic Workforce Plan 2023-28 and service plans
- Impact of greater use of digital technology
- Establishment of Digital Leadership Board
- Digital skills survey
- Reliance on casual workers
- Joint working with partners
- Measuring the impact of workforce planning

PART 5 - LOOKING TO THE FUTURE

Impact of the Current Economic Climate – Key Financial Risks and Uncertainties

At the 2025/26 budget-setting meeting on 27 February 2025, City Governance Committee members were advised of the long term (10 year) financial outlook facing the Council, including the key assumptions used and main risk factors considered.

This was an update on the Medium-Term Financial Strategy presented to the City Governance Committee on 4 September 2023 and again on 28 October 2024. The following approach to Medium-Term Financial planning was agreed:

- (a) the Council will set a balanced budget each year;
- (b) savings and efficiencies will be driven by transformation and service prioritisation;
- (c) resources will be prioritised to improve outcomes;
- (d) the Council will seek to achieve an overall outturn in-line with or below budget;
- (e) free balances will be retained at the higher of 2% of revenue budget or £8m;
- (f) reserves will only be used for earmarked purposes and to support the revenue budget through spend to save initiatives;
- (g) demand and demographic change will be managed through prioritisation within services;
- (h) the contingency budget will only be used for one off expenditure which is not recurring;
- (i) Joint bodies and boards will bear their share of any General Revenue Grant reduction;
- (j) a planning assumption that fees and charges will increase by at least 3% annually;
- (k) a planning assumption that Council Tax will increase by at least 3% annually;
- (l) budget provision will be made for pay awards (with incremental drift managed by services) and unavoidable inflation; and
- (m) the Council will evaluate the risks and benefits of all financial flexibilities made available to local authorities.

The 2025/26 Revenue Budget and Council Tax was agreed by the City Governance Committee on 27 February 2025. A three-year Revenue Budget was presented, as part of the Council's continuing commitment to improving medium and longer-term financial planning. The covering budget report identified the following savings requirements over the period 2025/26 to 2028/29, based on assumed flat cash grant settlements and no adjustment for the impact of distributional changes within the grant settlement process:

	Cumulative £m
2025/26	9.5
2026/27	20.6
2027/28	32.8
2028/29	40.3

The most significant factors that influence budget projections are levels of Scottish Government funding and inflation, especially in relation to pay. The Council's budget is constrained by its statutory duties, Government policy, and contractual obligations. In recent years the Local Government Settlement has required Council's to maintain the level of funding for Health and Social and to protect teacher numbers. Taken with the statutory obligations in relation to Children's Services and the commitments the Council has in relation to loan charges and PFI contracts, some 64% of the Council's net budget is fixed (i.e. budget reductions are not possible).

This means that savings require to be made from the remaining 36% of the budget, or alternatively, through raising fees, charges and Council Tax.

In setting the 2025/26 Revenue Budget savings totalling £4.943m were agreed with a review of charges resulting in additional income of £652,000. The Council Tax was increased by 8% with Band D at £1,605.34 after agreeing a provision of 3.2% for Council Tax non-collection.

In the context of the Council having delivered savings of the order of £171m since 2008, further budget reductions on the scale anticipated will be challenging. The scope for savings will necessarily be limited to those areas of the budget where the Council has discretion to implement changes.

The Scottish Government most recently published "Scotland's Fiscal Outlook: The Scottish Government's Medium-Term Financial Strategy" on 25 May 2023. This sets out how spending on public services in Scotland is projected to grow faster than forecast funding over the next 4 years creating a gap of £1bn in 2024/25 rising to £1.9bn in 2027/28.

The following points from the document are highlighted for noting:

- whilst it is not expected that Scotland will enter recession growth remains subdued;
- the labour market is robust with high levels of employment and low unemployment;
- inflationary pressure is continuing, and the outlook is still uncertain;
- funding is expected to grow from £45.3bn in 2023/24 to £51.0bn by 2027/28 but increases vary between years with pressure most severe in 2024/25;
- the medium-term outlook is volatile and the two key components, block grant and net income tax, remain uncertain;
- high inflation will have a long term impact on public service spending in Scotland;
- spending could exceed resources by 2% (£1bn) in 2024/25 rising to 4% (£1.9bn) in 2027/28;
- capital is also under pressure and a real terms fall of 7% expected between 2024/5 and 2027/28. Higher costs also exacerbate this with a 16% gap projected in 2025/26;
- Social Security spend is projected to rise from 10% of the resource budget (£4.2bn) to 15% (£7.5bn) by 2027/28;
- the prioritisation of those in greatest need may mean a move away from universal to targeted services and a need to stop spending on non-priority programmes
- the capital spending period will be extended by a year to 2026-27 with a reprioritisation to focus on core objectives; and
- work is continuing on a New Deal for Local Government which will include a partnership agreement and fiscal framework.

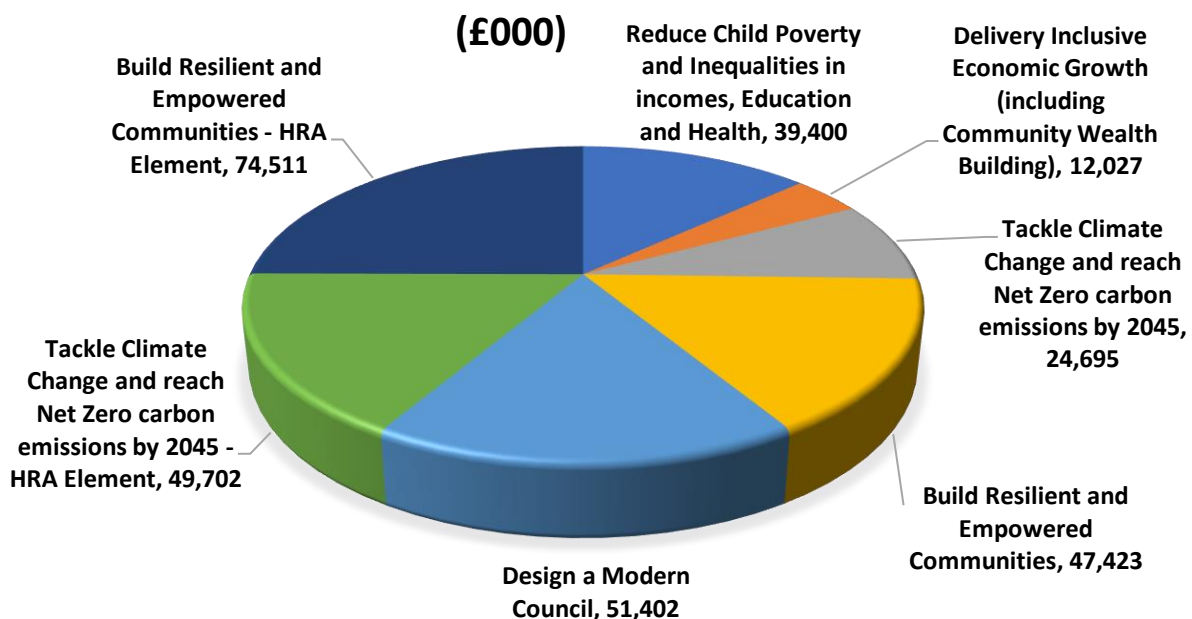
Officers will be exploring opportunities for savings over the summer period and will consider options including income generation, service redesign, partnership working and service reduction. As part of this process it is recommended that Officers engage with partners that work with Council on delivering services for the City to ensure that all opportunities for collaboration and service change or reduction are examined and any consequences fully understood.

A report on Transformation published by the Accounts Commission on 1 October 2024 ([Transformation in councils | Audit Scotland](#)) highlights the need for faster reform and the need for collaborative work across the public sector if Councils are to remain financially sustainable.

Future Developments – Capital Plan

In February 2025, the City Governance Committee approved a combined five year Capital Plan for General Services and Housing totalling £299m over the period 2025 to 2030. In developing the five year Capital Plan, there has again been a focus on a thematic approach which highlights the Council's strategic priorities.

PLANNED CAPITAL EXPENDITURE 2025-2030 BY THEME



Our Capital Plan for 2025-2030 sets out a £299 million building programme for the next five years for General Services & Housing HRA. The Capital Plan 2025-30 has been prepared in the context of decreasing resources.

Sustainability is a key focus for the Council with the investment of £74m in tackling climate change to help deliver the Council's Net Zero ambitions making up nearly a quarter of the Capital Plan. This includes Green Transport Hub & Spokes at Bell Street Multi Storey Car Park, Energy efficiency measures in Council Housing. The largest project in the capital programme is the East End Community Campus, which opened on 22nd August 2025 and was delivered in partnership with the Scottish Government.

The HRA Capital Plan is committed to tackling climate change and reaching Net Zero carbon emissions by 2045. The plan aims to deliver larger area-based projects, improving multiple measures within the asset so that it improves energy efficiency and reduces fuel poverty for our tenants.

In respect of other planned investments, the Council will ensure these take cognisance of our net zero ambitions by ensuring that these works are completed using sustainable materials and low or zero carbon heating solutions wherever possible. Whilst recognising the longer-term benefits this can offer this will need to be balanced with affordability.

CIPFA Financial Management Code

The CIPFA Financial Management Code (FM Code) was issued in October 2019. The FM Code is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. The FM Code therefore for the first time sets the standards of financial management for local authorities. The FM Code is based on a series of principles supported by specific standards which are considered necessary to provide the strong foundation to:

- financially manage the short, medium and long-term finances of a local authority
- manage financial resilience to meet unforeseen demands on services
- manage unexpected shocks in their financial circumstances.

PART 6 - CONCLUSION & ACKNOWLEDGMENTS

Conclusion

Throughout 2024/2025 the Council continued to deliver quality services to the people of Dundee and demonstrated sound governance and prudent financial management. Where pressures emerge, as with services corrective action is taken. This is achieved through effective collaborative working within the Council and across Partnerships. Significant challenges continue to be faced due to the high levels of deprivation in some of our communities, economic and demographic pressures, legislative and regulatory changes, increasing demands and expectations from our communities.

However, these challenges are compounded by the effects of the cost-of-living crisis and funding pressures.

Whilst the Council continues to be ambitious, innovative, and committed to delivering the best possible services with the resources it has, the financial and wider impacts of cost-of-living are being felt as the City plans for the future.

Acknowledgements

We would like to thank Bailie Willie Sawers, the Senior Councillor with responsibility for Finance, all other elected members and officers of the Council for their active support and co-operation in the effective management of the Council's finances during another challenging year. Robert Emmott, Executive Director of Corporate Services, left the Council on 28 March 2025. We particularly acknowledge his contributions in managing the Council finances. Finally, we would conclude this report by thanking the Corporate Finance Team who contributed to the management and control of the Council's finances and to the finalisation of the Council's 2024/2025 Annual Accounts.



Paul Thomson CPFA
Executive Director of Corporate
Services
Dundee City Council
24 September 2025



Gregory Colgan BAcc (Hons),
ACMA, CGMA
Chief Executive
Dundee City Council
24 September 2025



Councillor Mark Flynn
Leader of the Council
Dundee City Council
June 2025
24 September 2025

ANNUAL GOVERNANCE STATEMENT

Scope of Responsibility

Dundee City Council is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards. This is to ensure that public funds and assets at its disposal are safeguarded, properly accounted for and used economically, efficiently and effectively. The Council also has a duty to make arrangements to secure continuous improvement in the way its functions are carried out.

In discharging these duties Elected Members and senior officers are responsible for implementing effective arrangements for governing the Council's affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

To this end the Council has approved and adopted a Local Code of Corporate Governance that is consistent with the principles of the CIPFA/SOLACE (Chartered Institute of Public Finance and Accountancy / Society of Local Authority Chief Executives) framework Delivering Good Governance in Local Government. The Local Code of Corporate Governance explains how Dundee City Council delivers good governance and this Annual Governance Statement reviews the effectiveness of these arrangements.

In addition, the Council is responsible for confirming effective corporate governance arrangements exist within its other group entities. In line with Accounts Commission guidance, including Safeguarding Public Money: are you getting it right? Following the Public Pound and Arm's Length External Organisations (ALEOs): are you getting it right? part of that responsibility is about ensuring that public money is being used appropriately and achieving Best Value.

The Council's Governance Framework

The governance framework comprises the systems, processes, cultures and values by which the Council is directed and controlled. It also describes the way it engages with, accounts to and leads the local community. It enables the Council to monitor the achievement of its planned objectives and outcomes and to consider whether those objectives and outcomes have led to the delivery of appropriate, cost-effective services.

The Local Code of Corporate Governance is supported by detailed evidence of compliance which is regularly reviewed by a working group of senior officers.

Within the overall control arrangements, the system of internal financial control is intended to ensure that assets are safeguarded, transactions are authorised and properly recorded, and material errors or irregularities are either prevented altogether or detected within a timely period. It is based on a framework of regular management information, financial regulations, administrative procedures and management supervision and checking.

An annual self-assessment against the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption confirms that the Council has adopted a response that is appropriate for its fraud and corruption risks. This is reported to the Scrutiny Committee in September each year.

The purpose of the Scrutiny committee is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. Its role in ensuring there is sufficient assurance over governance, risk and control gives greater confidence to all those charged with governance that those arrangements are effective. The committee has oversight of both internal and external audit, together with the financial and governance reports, helping to ensure there are adequate arrangements in place for both internal challenge and public accountability.

The overall control arrangements include:

- Identifying the Council's objectives in the Council Plan, Community Plan and Local Outcomes Improvement Plan (City Plan).
- Monitoring of achievement of those objectives and outcomes by the Council and senior officers.
- A systematic approach to monitoring service performance at Elected Member, senior officer and project level.
- Reporting performance regularly to Council committees.
- Three-year service plans for all service areas. Regular performance reports in relation to the service plans began to be reported to relevant Committees from November 2021.
- Performance Management Framework.
- Clearly defined Standing Orders and Schemes of Administration covering Financial Regulations, Tender Procedures and Delegation of Powers.
- A Monitoring Officer to ensure compliance with laws and regulations.

- A Scrutiny Committee and individual Service Committees.
- Approved Corporate Fraud and Corruption Policy including "whistle-blowing" arrangements under the Public Interest Disclosure Act 1998.
- Ethical Values Framework.
- A Corporate Integrity Group.
- A Serious Organised Crime Group.
- Senior Officer Resilience Group.
- Council Leadership Team and each Service's Senior Management Teams.
- Participating in National Fraud Initiative strategy for sharing and cross-matching data with regular reports to Committee.
- Formal project appraisal techniques and project management disciplines.
- Setting targets to measure financial and service performance.
- Long-term Financial Outlook and Financial Strategy 2020 - 2030.
- Medium-term Financial Strategy.
- Longer- term Revenue Budget Model.
- Formal revenue and capital budgetary control systems and procedures.
- Clearly defined capital expenditure guidelines.
- A Capital Governance Group consisting of senior officers from across Council services and chaired by the Executive Director of Corporate Services.
- The Council, together with NHS Tayside have established an Integrated Health and Social Care Partnership (HSCP). The HSCP has established a governance structure and an integrated senior management structure to support delivery of its key objectives and outcomes.
- An Our People Strategy is in place to support delivery of the Council Plan and its strategic priorities.
- A Risk Management Policy and Strategy, Corporate and Service Risk Registers.
- Corporate Risk and Assurance Board, chaired by the Executive Director of Corporate Services as Senior Responsible Officer for risk.
- Corporate Governance Assurance Statement Group.
- Strategic Information Governance Group.
- Data Protection Policy and Data Breach Management Procedure.
- The assurances provided by internal audit through their independent review work of the Council's governance, risk management and control framework.
- Chief Social Work Officer governance arrangements.

Review of Effectiveness

Members and officers of the Council are committed to the concept of sound governance and the effective delivery of Council services and take into account comments made by external and internal auditors and other review agencies and inspectorates and prepare actions plans as appropriate.

The effectiveness of the governance framework is reviewed annually by a working group of senior officers. The 2024/2025 review of governance arrangements against the Local Code of Corporate Governance has identified the Council as being 99% (2023/2024: 99%) compliant with the principles of the CIPFA/SOLACE framework Delivering Good Governance in Local Government.

In addition, Executive Directors from each service have made a self-assessment, in conjunction with their senior management teams, of their own governance, risk management and internal control arrangements. This involved the completion of a 76-point checklist covering eight key governance areas of Service Planning and Performance Management; Internal Control Environment; Fraud Prevention and Detection; Budgeting, Accounting and Financial Control; Risk Management and Business Continuity; Asset Management; Partnerships; and Information Governance. This again indicated a high level of compliance, with an overall score above 93% for 2024/2025 (2023/2024: 92%).

The Internal Audit Service operates in accordance with the Public Sector Internal Audit Standards (PSIAS) and reports functionally to the Scrutiny Committee. Conformance with the PSIAS should be confirmed independently, through the completion of a formal External Quality Assurance (EQA) process. The independent review was due to be undertaken in 2023 but has been delayed by the reviewer. Conformance with PSIAS, with the exception of updating the EQA within five years, has been confirmed by the self-assessment prepared by the Service as part of the review. Internal Audit undertakes an annual programme of work, which is reported to the Scrutiny Committee. The Chief Internal Auditor provides an independent opinion on the adequacy and effectiveness of the Council's governance, risk management and control framework. The overall audit opinion, is that reasonable assurance can be placed upon the adequacy and effectiveness of the Council's framework of governance, risk management and control for the year to 31 March 2025.

The Annual Internal Audit review assessed a number of areas as having limited assurance including Staff Wellbeing & Absence Management, Microsoft Office 365, User Access Management, Corporate Debt Recovery Arrangements and Safety Alarm Response Centre. There were no reviews providing no assurance. Of those reviews considered as being limited assurance, a total of 19 actions were agreed of which as at 2 June 2025, 12 actions have now been fully completed.

The Executive Director of Corporate Services complied fully with the five principles of the role of the Chief Financial Officer, as set out in CIPFA guidance. The Council's financial management arrangements conform with the requirements of the CIPFA Financial Management (FM) Code (2019).

Continuous Improvement Agenda

The Council's progress against the Continuous Improvement Agenda items for 2024/2025 is detailed at Appendix 1. Several items are still in progress and have been carried forward to be actioned in 2025/2026. Additional areas for improvement have also been identified by the Council's Corporate Governance Assurance Statement Group and these are included, along with the areas for improvement carried forward, at Appendix 2 and form the Continuous Improvement Action Plan for 2025/2026. These were identified by Executive Directors and Heads of Services in the self-assessment checklists that were completed as part of the Council's assurance gathering process. The Council's Governance structure is shown at Appendix 3.

Group Entities

In respect of the Joint Boards, Joint Committee, Charities and Companies that fall within the Council's group boundary, the review of their governance, risk management and control framework is informed by:

- Annual Governance Statements included in the respective financial statements of the Joint Boards and Tayside Contracts Joint Committee.
- Assurances from company directors and/or the other senior company officials.
- The work of the relevant bodies' respective external auditors (and where relevant internal audit function) and other interim reports.
- Completion of self-assessment checklists.

The Dundee City Integration Joint Board (DCIJB) and Dundee Health and Social Care Partnership (DHSCP) were formed in April 2016, at which time an approved Strategic and Commissioning Plan was in place and proper due diligence had been carried out in respect of the financial contributions transferred to the DCIJB at the outset. The Scottish Government, Integrated Resources Advisory Group, Finance Guidance includes a section on Following the Public Pound which details the requirement to put in place arrangements to maintain control and clear public accountability over public funds. More specifically, these arrangements should cover the resources delegated to the DCIJB by the Council and NHS Tayside as well as the resources allocated to the Council and NHS Tayside by the DCIJB to be used as directed and set out in the Strategic and Commissioning Plan. In terms of Council resources, projected outturns against budgets have been and will continue to be monitored and reviewed on a continuous basis with corresponding reports being presented to the DCIJB at regular intervals. In addition, the Council's City Governance Committee is responsible for the scrutiny of integrated health and social care. The Section 95 Officers from the Council and the DCIJB have worked, and will continue to work, together closely. Over time, the format and focus of monitoring will change as budgets and services become more integrated and aligned with the priorities set out in the Strategic and Commissioning Plan.

DCIJB comprises six voting members, three nominated by Dundee City Council and three nominated by Tayside NHS Board, as well as non-voting members including a Chief Officer and Chief Finance Officer appointed by the DCIJB. As a legacy from the response to the Covid-19 pandemic, all formal DCIJB meetings continued to be held online throughout the 2024/2025 financial year.

Conclusion

The annual review demonstrates sufficient evidence that the code's principles of delivering good governance in local government operated effectively and the Council complies with the Local Code of Corporate Governance in all significant respects for 2024/2025. It is proposed over 2025/2026 steps are taken to address

the items identified in the Continuous Improvement Agenda to further enhance the Council's governance arrangements.



Gregory Colgan BAcc (Hons), ACMA, CGMA
Chief Executive
Dundee City Council

24 September 2025



Councillor Mark Flynn
Leader of the Council
Dundee City Council

24 September 2025

CONTINUOUS IMPROVEMENT AGENDA FOR 2024/2025 - WITH PROGRESS UPDATES

The Council's Corporate Governance working group identified the following areas for improvement to be taken forward during 2024/2025. Full details are included in the Council's Local Code of Corporate Governance ([Report 162-2024](#)) and the 2023/2024 Annual Governance Statement ([Report 292-2024](#)) updated for final version in 2023/2024 Audited Accounts to Scrutiny Committee on 29 September 2024 ([Report 264-2024](#)).

TABLE 1:

ORIGINAL IMPROVEMENT AGENDA ON 2024/2025 LOCAL CODE OF CORPORATE GOVERNANCE AND ANNUAL GOVERNANCE STATEMENT REPORTS						PROGRESS UPDATES	
	Improvement	Source	Details	Responsible Officer	Target Completion Date	Actual Completion Date	Comments (e.g. Estimated Completion Date, Reasons for delays, etc.)
1	Continue to develop Business Continuity Strategy.	Local Code of Corporate Governance 2017/2018. (Principle F: Managing Risk). Report 223-2017	Carried forward from 2023/2024. In progress.	Service Manager - Community Safety and Resilience.	31/03/2025	N/a	Policy statement has been drafted and submitted with report to Senior Management Team.
2	Replace Construction Services' Costing System.		Carried forward from 2023/2024. In progress.	Head of Construction and Head of Customer Services and IT.	31/03/2025	N/a	Device roll out is complete. Sprint Testing is ongoing for costing system. Some rework required for financial processes. Work allocation sprint test for property maintenance team now in progress - feedback being reviewed to identify what changes / improvements can be made. Progress of implementation of Civica CX and Total Mobile has been delayed due to IT issues and other priorities (e.g. relets, etc.). Ongoing testing by Corporate Finance and Construction Services. Feedback will determine next actions. Progress has paused pending review of Housing system implementation.

	Improvement	Source	Details	Responsible Officer	Target Completion Date	Actual Completion Date	Comments (e.g. Estimated Completion Date, Reasons for delays, etc.)
3	Implementation of Corporate Property Management system.	Annual Governance Statement 2022/2023. (Self-Assessment Checklist (SAC): Internal Control Environment section).	Carried forward from 2023/2024. In progress	Head of Design and Property Services.	31/03/2027	N/a	Meeting held with IT leadership to explore the best way forward to progress with the implementation of this software upgrade. Resourcing strategy now being reviewed with potential to apply for Transformation funding.
4	Mandatory Data Protection Impact Assessment (DPIA) training for appropriate officers.	Annual Governance Statement 2022/2023. (Self-Assessment Checklist (SAC): Budgeting, Accounting and Financial Control section).	Carried forward from 2023/2024. In progress	Head of Democratic and Legal Services.	31/03/2025	10/01/2025	Action Complete
5	Review the Council's Standing Orders.	Annual Governance Statement 2022/2023. (Self-Assessment Checklist (SAC): Budgeting, Accounting and Financial Control section).	Carried forward from 2023/2024. In progress	Head of Democratic and Legal Services.	30/09/2024	N/a	Proposed revised Standing Orders were reported to the Council Leadership Team in May for consultation purposes and will be carried forward to be submitted to the City Governance Committee final approval in 2025/26.
6	Roll-out advanced risk management training module for senior officers.	Corporate Governance Assurance Statement Group	New for 2024/2025.	Head of Corporate Finance	31/03/2025	N/a	Initial discussions held with Senior Manager - Internal Audit. To consider options for provision of this training including seeking external support for any assistance they can offer.

	Improvement	Source	Details	Responsible Officer	Target Completion Date	Actual Completion Date	Comments (e.g. Estimated Completion Date, Reasons for delays, etc.)
7	Fully roll-out Quality Conversations.	Annual Governance Statement 2023/2024. (SelfAssessment Checklist (SAC): Internal Control Environment.	New for 2024/2025.	Head of People	31/03/2025	03/03/2025	Action Complete - Quality Conversation scheme is fully rolled out and the next phase of the project is under way in terms of reviewing effectiveness and evaluating adoption levels.

*Carried forward items have been included in Table 2 with new target completion dates.

CONTINUOUS IMPROVEMENT AGENDA FOR 2025/2026

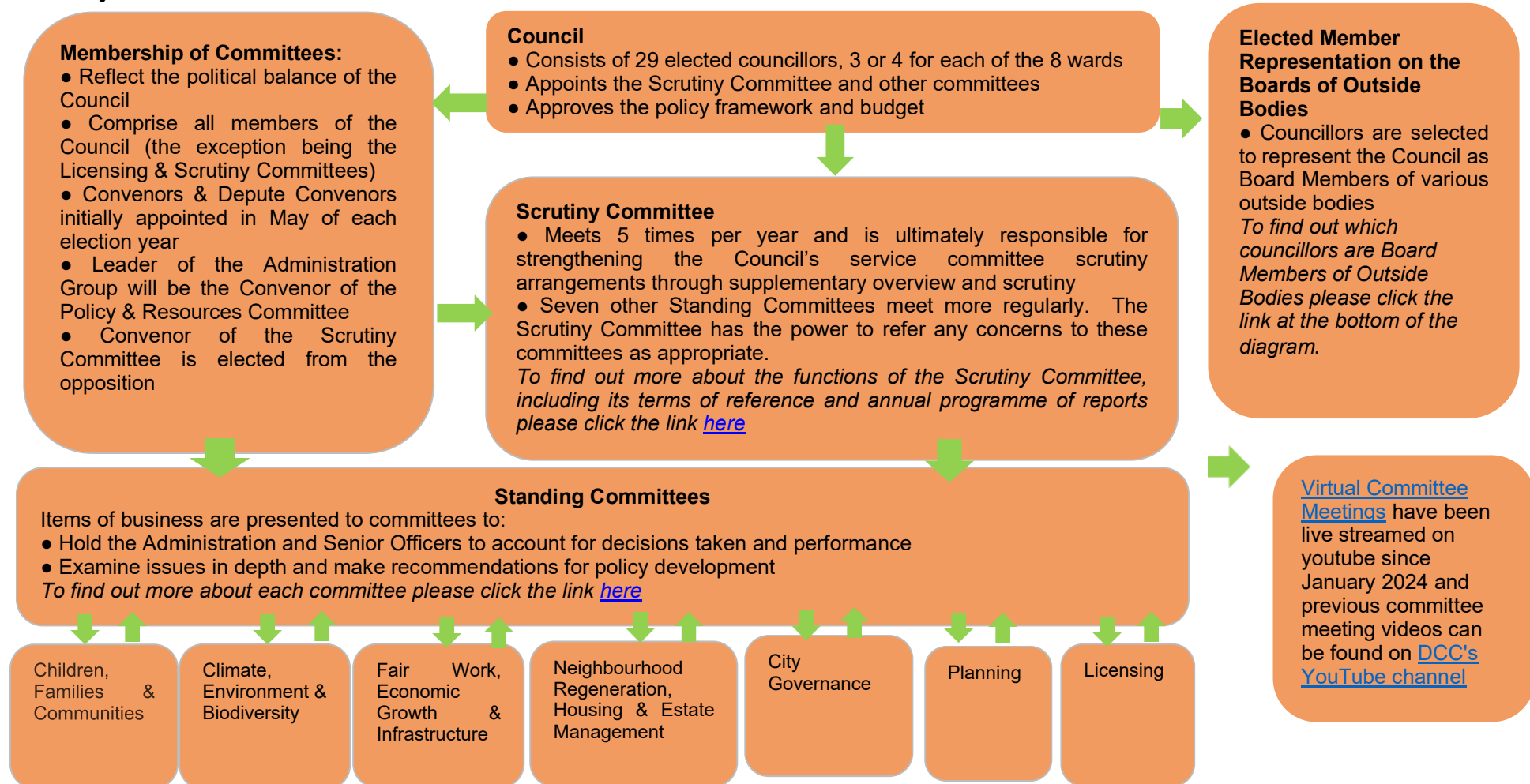
The Council's Corporate Governance working group has identified the following areas for improvement, full details are included in the Council's Local Code of Corporate Governance, to be taken forward during 2025/2026:

TABLE 2

	Improvement	Source	Details	Responsible Officer	Target Completion Date
1	Continue to develop Business Continuity Strategy.	Local Code of Corporate Governance 2017/2018. (Principle F: Managing Risk). <u>Report 223-2017</u>	Carried forward from 2024/2025. In progress.	Service Manager - Community Safety and Resilience.	31/03/2026
2	Replace Construction Services' Costing System.		Carried forward from 2024/2025. In progress.	Head of Construction and Head of Customer Services and IT.	31/03/2026
3	Implementation of Corporate Property Management system.	Annual Governance Statement 2022/2023. (Self-Assessment Checklist (SAC): Internal Control Environment section).	Carried forward from 2024/2025. In progress.	Head of Design and Property Services.	31/03/2027

	Improvement	Source	Details	Responsible Officer	Target Completion Date
4	Review the Council's Standing Orders.	Annual Governance Statement 2022/2023. (Self-Assessment Checklist (SAC): Internal Control Environment section).	Carried forward from 2024/2025 Proposed revised Standing Orders will be reported to the Council Leadership Team in May 25 for consultation purposes and to the City Governance Committee in September 25 for final approval	Head of Democratic and Legal Services.	22/09/2025
5	Roll-out advanced risk management training module for senior officers.	Corporate Governance Assurance Statement Group.	Carried forward from 2024/2025. In progress.	Head of Corporate Finance	31/10/2025
6	Ensure basic financial ledger mandatory training for all budget holders.	Annual Governance Statement 2024/2025. (Self-Assessment Checklist (SAC): Budgeting, Accounting and Financial Control section).	New for 2025/2026.	Head of Corporate Finance	31/03/2026
7	Procurement Strategy, - Implementation of Sourcing Strategies in respect of procurement thresholds and any other changes includes in the review of Standing Orders.	Annual Governance Statement 2024/2025. (Self-Assessment Checklist (SAC): Budgeting, Accounting and Financial Control section).	New for 2025/2026.	Head of Corporate Finance	31/03/2026

Dundee City Council's Governance Structure:



<https://www.dundee.gov.uk/service-area/corporate-services/democratic-and-legal-services/outside-bodies-elected-member-representation>

ANNUAL REMUNERATION REPORT

INTRODUCTION

The Council is required to prepare and publish within its Annual Accounts an annual Remuneration Report under the Local Authority Accounts (Scotland) Regulations 2014. The report sets out the remuneration and accrued pension benefits of the Senior Councillors and Senior Employees of the Council. The report also provides information on the number of Council Employees (including Senior Employees) whose total actual remuneration was £50,000 or more, this information being disclosed in salary bandings of £5,000 above £50,000. The following report has been prepared in accordance with the aforementioned Regulations. The Remuneration Report also provides details of Termination Benefits and Exit Packages for staff. The Council's External Auditor is required to audit certain parts of the Remuneration Report and give a separate opinion in their report on the Annual Accounts as to whether the Remuneration Report has been properly prepared in accordance with the Regulations and other relevant guidance. All information disclosed in the tables in this Remuneration Report are subject to audit by the Council's external auditors. The other sections of the Remuneration Report have been reviewed by the external auditors to ensure that they are consistent with the financial statements.

REMUNERATION ARRANGEMENTS

Senior Councillors

The remuneration of Councillors is regulated by the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2024 (Scottish Statutory Instrument No. 2024/24) and subsequent amendment regulations with further guidance being provided in Scottish Government circulars 8-2011 and 7-2014. The Regulations provide for the grading of Councillors for the purposes of remuneration arrangements, as either the Leader of the Council, the Civic Head (Lord Provost for Dundee City Council), Senior Councillors or Councillors. The Leader of the Council and the Civic Head cannot be the same person for the purposes of payment of remuneration. A Senior Councillor is a Councillor who holds a significant position of responsibility in the Council's political management structure.

The salary that is to be paid to the Leader of the Council is set out in the Regulations. For 2024/2025 the salary for the Leader of Dundee City Council was £42,698. The Regulations permit the Council to remunerate one Civic Head. The Regulations set out the maximum salary that may be paid to that Civic Head. The agreed policy of Dundee City Council is to pay the Civic Head (Lord Provost) the maximum salary set out in the Regulations (£32,024). The Regulations allow the Civic Head to incur expenditure of up to £3,000 on expenses associated with the position. During 2024/2025, the Council's Lord Provost incurred expenditure of £2,109 under this heading.

The Regulations also set out the remuneration that may be paid to Senior Councillors and the total number of Senior Councillors that the Council may have. The maximum yearly amount that may be paid to a Senior Councillor is 75% of the total yearly amount payable to the Leader of the Council.

With effect from 23 May 2022, Dundee City Council has had 15 Senior Councillors including the Leader and Civic Head. The remuneration payable to these Councillors in a full financial year totals £391,705, incorporating the effect of 0.4%, 2.8%, 2.2%, 4.2%, 5.2%, 2.7% and 6.2% pay increases from 1 April 2018, 1 April 2019, 1 April 2020, 1 April 2021, 1 April 2022, 1 April 2023 and 1 April 2024 respectively. The actual remuneration paid to Senior Councillors in 2024/25 was £391,705. The Regulations also permit the Council to pay contributions or other payments as required to the Local Government Pension Scheme in respect of those Councillors who elect to become Councillor members of the pension scheme.

The remuneration details for the Leader of the Council, the Civic Head (Lord Provost for Dundee City Council) and Senior Councillors are set out in Table 1a on page 43. The salaries, allowances and expenses for all Councillors (including Senior Councillors) are set out below.

Remuneration paid to Councillors (subject to audit)

	2023/2024 £	2024/2025 £
Salaries	689,150	720,468
Mileage, Travel & Subsistence etc	6,283	2,524
Training & Conferences	-	90
Telephone Expenses	2,147	1,532
Other Allowances	521	596
	698,101	725,210
Provision of Council Cars	46,030	50,426
Total	744,131	775,636

The full Annual Return of Councillors Salaries & Expenses for 2024/2025 is available on the Council's [website](#).

Senior Employees of the Council

The salary of Senior Employees is set by reference to national agreements. The Scottish Joint Negotiating Committee (SJNC) for Local Authority Services sets the salaries for the Chief Executives of Scottish local authorities. The salaries of the Executive Directors and Heads of Service are determined with reference to the Chief Executive's salary taking into account the duties and responsibilities of their posts. The Council's City Governance Committee is responsible for agreeing the salaries of Executive Directors and Heads of Service. As part of the revised service and management structures agreed in June 2015, the Council adopted a single pay and grading structure for all employees, other than those on Scottish Negotiating Committee for Teachers (SNCT) conditions of service.

Senior Employees are entitled to participate in the Council's Contract Car Hire Scheme, subject to meeting certain criteria. The Council's Policy and Resources Committee is also responsible for agreeing the terms of the Contract Car Hire Scheme.

For the purposes of the Remuneration Report, the Regulations set out the following criteria for designation as a Senior Employee of the Council:

- has responsibility for management of the local authority to the extent that the person has power to direct or control the major activities of the authority (including activities involving the expenditure of money), during the year to which the Report relates, whether solely or collectively with other persons;
- holds a post that is politically restricted by reason of section 2(1)(a), (b) or (c) of the Local Government and Housing Act 1989; or
- annual remuneration, including any remuneration from a local authority subsidiary body, is £150,000 or more.

The Council has determined that 7 employees (7 posts) meet the criteria for designation as a Senior Employee in 2024/2025, with all 7 employees falling into either category (i) and / or (ii) above. The remuneration details for the Senior Employees of the Council are set out in Table 2 on page 44.

The Regulations also require information to be published on the total number of Council employees (including Senior Employees) whose total actual remuneration was £50,000 or more. This information is to be disclosed in salary bandings of £5,000 above £50,000 and is shown in the following table:

Remuneration Bands (subject to audit)

	No of Employees 2023/2024	No of Employees 2024/2025
£50,000 - £54,999	210	337
£55,000 - £59,999	192	147
£60,000 - £64,999	74	155
£65,000 - £69,999	62	67
£70,000 - £74,999	44	40
£75,000 - £79,999	45	44
£80,000 - £84,999	12	36
£85,000 - £89,999	7	10

£90,000 - £94,999	3	2
£95,000 - £99,999	2	4
£100,000 - £104,999	5	2
£105,000 - £109,999	11	3
£110,000 - £114,999	0	10
£120,000 - £124,999	1	0
£125,000 - £129,999	0	1
£130,000 - £134,999	0	1
£135,000 - £139,999	4	0
£140,000 - £144,999	0	3
£170,000 - £174,999	1	0
£175,000 - £179,999	0	1
Total	673	863

ACCRUED PENSION BENEFITS

Pension benefits for Councillors and Local Government Employees are provided through the Local Government Pension Scheme (LGPS). A new Local Government Pension Scheme (Scotland) came into effect on 1 April 2015, based on career average related earnings (CARE Scheme).

Councillors' pension benefits are based on career average pay. The Councillor's pay for each year or part year ending 31 March (other than the pay in the final year commencing 1 April) is increased by the increase in the cost of living, as measured by the appropriate index (or indices) between the end of that year and the last day of the month in which their membership of the scheme ends. The total of the revalued pay is then divided by the period of membership to calculate the career average pay. This is the value used to calculate the pension benefits.

For Local Government Employees the scheme currently provides benefits based on career average revalued salary and length of service on retirement. The scheme's normal retirement age for both Councillors and Local Government Employees is linked to the state pension age.

From 1 April 2009 a five tier contribution system was introduced with contributions from scheme members being based on how much pay falls into each tier. This is designed to give more equality between the cost and benefits of scheme membership. Prior to 2009, contribution rates were set at 6% for all non-manual employees. The members contribution rates for 2024/2025 remain at the 2009/2010 rates, however the pay bandings have been updated. The tiers and contribution rates are as follows:

Whole Time Pay	Contribution Rate 2024/2025
On earnings up to and including £27,000	5.5%
On earnings above £27,001 and up to £33,000	7.25%
On earnings above £33,001 and up to £45,300	8.5%
On earnings above £45,301 and up to £60,400	9.5%
On earnings of £60,401 and above	12%

If a person works part-time their contribution rate is worked out on the whole-time pay rate for the job, with actual contributions paid on actual pay earned.

There is no automatic entitlement to a lump sum. Members may opt to give up (commute) pension for lump sum up to the limit set by the Finance Act 2004. The accrual rate under the new CARE Scheme guarantees a pension based on 1/49th of pensionable salary, calculated separately for each year of pensionable service. Prior to 2015 the accrual rate guaranteed a pension based on 1/60th of final pensionable salary and years of pensionable service.

Senior Councillors

The accrued pension benefits for Senior Councillors are set out in Table 3 on page 45, together with the pension contributions made by the Council.

Senior Employees of the Council

The accrued pension benefits for Senior Employees are set out in Table 4 on page 47, together with the pension contributions made by the Council.

Assumptions and Contextual Information

The value of the accrued pension benefits has been calculated on the basis of the age at which the person will first become entitled to receive a pension on retirement without reduction on account of its payment at that age; without exercising any option to commute pension entitlement into a lump sum; and without any adjustment for the effects of future inflation. The pension figures shown relate to the benefits that the person has accrued as a consequence of their total Local Government service and not just their current appointment.

In considering the accrued pension benefits figures the following contextual information should be taken into account:

- i. the figures for pension and lump sum are illustrative only in light of the assumptions set out above and do not necessarily reflect the actual benefits that any individual may receive upon retirement.
- ii. the accrued benefits figures are reflective of the pension contributions that both the employer and the scheme member have made over a period of time. In 2024/2025, the scheme member contribution rate for Senior Councillors was in the range of 5.5% to 6.4% (2023/2024 5.5% to 6.4%) of pensionable pay and for Senior Employees was in the range of 9.4% to 10.3% (2023/2024 9.4% to 10.3%) of pensionable pay. In 2024/2025, the employer contribution rate was 15.7% (2023/2024 17.0%) of pensionable pay for both Senior Councillors and Senior Employees.

TERMINATION BENEFITS & EXIT PACKAGES

As part of ongoing cost saving measures aimed to implement a reduction in staffing levels the Council have approved a series of Voluntary Early Retirement and Voluntary Redundancy Schemes. Table 5 on page 48 details the total number and cost of staff departures agreed under these schemes, split over various cost bandings. The total cost of these exit packages includes the strain on fund payable by the Council to the relevant pension scheme, employer's contribution to any enhancement of service awarded (i.e. added years benefits) or redundancy payments made.

Trade Union (Facility Time Publication Requirements) Regulations 2017 (not subject to audit)

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require a range of information in relation to the time and costs of employee involvement in trade union activity to be disclosed in the annual report. During 2024/2025, the Council obtained numbers for the 2023/2024 and 2024/2025 financial years:

Trade Union (Facility Time Publication Requirements) Regulations 2017 disclosure requirement	2024/25	2023/24	2022/23
Number of employees who were relevant union officials during the relevant period	40	39	37
How many employees who were relevant union officials during the relevant period spent			
a) 0 -1% of their working hours on facility time:	5	6	7
b) 1 – 50% of their working hours on facility time:	32	30	28
c) 51-99% of their working hours on facility time:	3	3	1
d) 100% of their working hours on facility time:	0	0	1
Percentage of the total pay bill spent on facility time	0.075%	0.072%	0.061%
Time spent on paid trade union activities as a percentage of total paid facility time hours	Not available	Not available	Not available



Gregory Colgan BAcc (Hons), ACMA, CGMA
Chief Executive
Dundee City Council

24 September 2025



Councillor Mark Flynn
Leader of the Council
Dundee City Council

24 September 2025

TABLE 1a - REMUNERATION OF SENIOR COUNCILLORS (subject to audit)

Councillor Name	Responsibility	Salary, Fees & Allowances £	Taxable Expenses £	Other Payments £	Total Remuneration 2024/2025 £	Total Remuneration 2023/2024 £
Bill Campbell	Lord Provost	32,024	-	-	32,024	30,154
Christina Roberts	Depute Convener of Planning Committee	24,015	-	-	24,015	23,733
Heather Anderson	Convener of Climate, Environment and Biodiversity Committee	28,352	-	-	28,352	26,697
John Alexander	Leader (to 31 August 2024)	17,561	-	-	17,561	40,205
Kevin Cordell	Depute Lord Provost, Convener of Neighbourhood Regeneration, Housing and Estate Management Committee (note 1)	27,398	-	-	27,398	25,128
Kevin Keenan	Convener of Scrutiny Committee, Leader of the Major Opposition Group	28,352	-	-	28,352	26,697
Lynne Short	Depute Convener of Neighbourhood Regeneration, Housing and Estate Management Committee (note 2)	29,314	-	5,299	34,613	24,573
Mark Flynn	Leader (from 1 September 2024), Convener of City Governance Committee	36,797	-	-	36,797	26,697
Nadia El-Nakla	Depute Convener of Climate, Environment and Biodiversity Committee	24,015	-	-	24,015	22,613
Roisin Smith	Convener of Licensing Committee	24,015	-	-	24,015	22,613
Siobhan Tolland	Depute Convener of Fair Work, Economic Growth and Infrastructure Committee	24,015	-	-	24,015	22,613
Steven Rome	Convener of Fair Work, Economic Growth and Infrastructure Committee	28,352	-	-	28,352	25,577
Stewart Hunter	Convener of Children, Families and Communities Committee	28,352	-	-	28,352	26,697
Will Dawson	Convener of Planning Committee	28,352	-	-	28,352	26,697
Willie Sawers	Depute Convener of City Governance Committee	28,352	-	-	28,352	26,697
Total		409,266	-	5,299	414,565	397,391

1. The figures for Salary, Fees and Allowances represents total remuneration for the year including payment for being a Councillor, together with the additional payment for being the Convener of the Tayside Valuation Joint Board.
2. The figures for Other Payments relate to remuneration as the Scottish Vice-Chair for the Association for Public Service Excellence (APSE) in Scotland.

Note

The following recharges were made by the Council to the following bodies in respect of the above responsibilities:

	2024/2025 £	2023/2024 £
Tay Road Bridge Joint Board	2,969	3,773
Tayside Valuation Joint Board	6,053	5,029
Total	9,022	8,802

TABLE 2 – REMUNERATION OF SENIOR EMPLOYEES OF THE COUNCIL (subject to audit)

Employee Name	Post Title	Salary, Fees & Allowances £	Bonuses, Taxable Expenses £	Other payments £	Compensation for Loss of Employment £	Benefit s Other Than in Cash £	Total Remuneration 2024/2025 £	Total Remuneration 2023/2024 £
Gregory Colgan	Chief Executive (see note 1)	177,218	-	2,748	-	-	179,966	170,049
Robert Emmott	Executive Director of Corporate Services and S95 Officer (see note 2)	140,895	-	-	-	-	140,895	135,763
Audrey May	Executive Director of Children and Families	140,644	-	-	-	-	140,644	135,763
Robin Presswood	Executive Director of City Development	140,644	-	-	-	-	140,644	135,763
Tony Boyle	Executive Director of Neighbourhood Services (see note 3)	132,696	-	-	-	-	132,696	-
Judy Dobbie	Director of Leisure and Culture Dundee	125,210	-	-	-	-	125,210	120,850

Glyn Lloyd	Head of Children's and Community Justice Service	111,474	-	-	-	-	111,474	8,966
Total		968,781	-	2,748	-	-	971,529	707,154

TABLE 2 NOTES

1. The remuneration for Gregory Colgan, Chief Executive, includes £2,748 fees for election duties.
2. Robert Emmott retired on 28 March 2025. Paul Thomson took over as Executive Director of Corporate Services and S95 Officer from 30 March 2025.
3. Tony Boyle took over as Executive Director of Neighbourhood Services on 1 April 2024, from Elaine Zwirlein who retired on 31 March 2024.

TABLE 3 – SENIOR COUNCILLORS ACCRUED PENSION BENEFITS (subject to audit)

Councillor Name	Responsibility	Pension as at 31 March 2025	Pension Difference from 31 March 2024	Lump Sum as at 31 March 2025	Lump Sum Difference from 31 March 2024	Pension Contribution 2024/2025	Pension Contribution 2023/2024
		£000	£000	£000	£000	£	£
Bill Campbell	Lord Provost	7.4	1.3	-	-	5,027	5,126
Christina Roberts	Depute Convener of Planning Committee	8.7	0.9	2.0	0.0	3,770	4,034
Heather Anderson	Convener of Climate, Environment and Biodiversity Committee	4.0	0.8	-	-	4,451	4,538
John Alexander	Leader (to 31 August 2024)	7.8	0.9			2,757	6,834
Kevin Cordell	Depute Lord Provost, Convener of Neighbourhood Regeneration, Housing and Estate Management Committee	7.0	0.9	-	-	4,301	4,271
Kevin Keenan	Convener of Scrutiny Committee, Leader of the Major Opposition Group	10.6	1.3	2.5	0.1	4,451	4,538
Lynne Short	Depute Convener of Neighbourhood Regeneration, Housing and Estate Management Committee	4.9	0.9	-	-	4,602	4,177

Councillor Name	Responsibility	Pension as at 31 March 2025 £000	Pension Difference from 31 March 2024 £000	Lump Sum as at 31 March 2025 £000	Lump Sum Difference from 31 March 2024 £000	Pension Contribution 2024/2025 £	Pension Contribution 2023/2024 £
Mark Flynn	Leader, Convener of City Governance Committee (from 1 September 2024)	4.6	1.0	-	-	5,777	4,538
Nadia El-Nakla	Depute Convener of Climate, Environment and Biodiversity Committee	1.4	0.6	-	-	3,770	3,844
Roisin Smith	Convener of Licensing Committee	4.0	0.7	-	-	3,770	3,844
Siobhan Tolland	Depute Convener of Fair Work, Economic Growth and Infrastructure Committee	1.5	0.6	-	-	3,770	3,844
Steven Rome	Convener of Fair Work, Economic Growth and Infrastructure Committee	3.1	0.7	-	-	4,451	4,348
Stewart Hunter	Convener of Children, Families and Communities Committee	9.7	1.0	2.2	0.0	3,770	4,538
Will Dawson	Convener of Planning Committee	9.9	1.0	2.3	0.0	3,770	4,538
Willie Sawers	Depute Convener of City Governance Committee	9.9	1.0	2.3	0.0	3,770	4,538
Total		94.5	13.6	11.3	0.1	62,207	67,550

TABLE 3 NOTES

1. The Pension Contribution figures relate to the remuneration shown for the relevant persons in Table 1a.

TABLE 4 – SENIOR EMPLOYEES OF THE COUNCIL ACCRUED PENSION BENEFITS (subject to audit)

Employee Name	Post Title	Pension as at 31 March 2025	Pension Difference from 31 March 2024	Lump Sum as at 31 March 2025	Lump Sum Difference from 31 March 2024	Pension Contribution 2024/2025	Pension Contribution 2023/2024
		£000	£000	£000	£000	£	£
Gregory Colgan	Chief Executive	46.8	5.9	-	-	27,823	28,908
Robert Emmott	Executive Director of Corporate Services and S95 Officer (see note 2)	66.2	5.7	81.8	2.8	21,993	23,079
Robin Presswood	Executive Director of City Development	59.0	0.5	67.2	2.3	22,081	23,079
Tony Boyle	Executive Director of Neighbourhood Services	66.3	-	91.9	-	20,833	23,079
Judy Dobbie	Director of Leisure and Culture Dundee	65.0	5.2	94.4	3.3	19,658	20,554
Glyn Lloyd	Head of Children's and Community Justice Service	47.7	4.5	51.0	1.8	17,501	18,291
Total		351	21.8	386.3	10.2	129,889	155,281

TABLE 4 NOTES

1. Audrey May, Executive Director of Children and Families, has opted out of the Local Government Pension Scheme.
2. Robert Emmott retired on 28 March 2025. Paul Thomson took over as Executive Director of Corporate Services and S95 Officer from 30 March 2025.

TABLE 5 – TERMINATION BENEFITS & EXIT PACKAGES (subject to audit)

Exit Package Cost Band	Number of Compulsory Redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band (£000)	
	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025
£0 - £20,000	-	-	1	4	1	4	12	25
£20,001 - £40,000	-	-	-	-	-	-	-	-
£40,001 - £60,000	-	-	-	-	-	-	-	-
£60,001 - £80,000	-	-	-	-	-	-	-	-
£80,001 - £100,000	-	-	-	1	-	1	-	81
£100,001 - £120,000	-	-	-	1	-	1	-	114
Total	-	-	1	6	1	6	12	220

TABLE 5 NOTES

1. The above table represents the actual costs incurred of termination benefits associated with voluntary redundancy payments to employees who left during 2024/2025 and 2023/2024. Under the terms of the Council's severance schemes for non-teaching staff, employees can elect to receive a voluntary redundancy payment. During 2024/2025, 6 employee received voluntary redundancy payments (2023/2024: 1 employees) for which the Council incurred one-off redundancy costs of £0.220 m (2023/2024 £0.012m).

The Council's Responsibilities

The Council is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs (section 95 of the Local Government (Scotland) Act 1973). In this authority, that officer is the Executive Director of Corporate Services.
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014, and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003).
- approve the Annual Accounts for signature.

I confirm that these Annual Accounts were approved for signature by the Scrutiny Committee at its meeting on 25 June 2025.

Signed on behalf of Dundee City Council

Councillor Mark Flynn
Leader of the Council
24 September 2025



The Responsibilities of the Executive Director of Corporate Services

The Executive Director of Corporate Services is responsible for the preparation of the Council's annual accounts in accordance with proper practices as required by legislation and set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code of Practice').

In preparing the annual accounts, the Executive Director of Corporate Services has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with legislation;
- complied with the Code of Practice (in so far as it is compatible with legislation).

The Executive Director of Corporate Services has also:

- kept proper accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the financial statements give a true and fair view of the financial position of the local authority (and its group) at the reporting date and the transactions of the local authority (and its group) for the year ended 31 March 2025.

Paul Thomson CPFA
Executive Director of Corporate Services

Dundee City Council
24 September 2025



The objective of the Expenditure and Funding Analysis is to demonstrate to council tax and rent payers how the funding available to the Council (ie government grants, rents, council tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by the Council in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the Council's services. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2023/2024			2024/2025		
Net Expenditure Chargeable to the General Fund and HRA Balances £000	Adjustments between the Funding and Accounting Basis (see below/MIRS) £000	Net Expenditure in the Comprehensive Income and Expenditure Statement £000	Net Expenditure Chargeable to the General Fund and HRA Balances £000	Adjustments between the Funding and Accounting Basis (see below/MIRS) £000	Net Expenditure in the Comprehensive Income and Expenditure Statement £000
196,928	926	197,854	219,882	998	220,880
103,862	(168)	103,694	111,301	609	111,910
25,861	50,465	76,326	24,561	56,269	80,830
25,806	1,550	27,356	20,907	6,872	27,779
15,700	27	15,727	14,465	60	14,525
32,709	3,117	35,826	33,630	2,778	36,408
73	(168)	(95)	482	(35)	447
4,075	16,180	20,255	4,124	13,024	17,148
497	-	497	493	-	493
802	-	802	1,028	-	1,028
4,170	(338)	3,832	3,188	477	3,665
410,483	71,591	482,074	434,061	81,052	515,113
(428,296)	4,184	(424,112)	(419,089)	(32,753)	(451,842)
(17,813)	75,775	57,962	14,972	48,299	63,271
(56,647)			(77,731)		
(17,813)			14,972		
(3,271)			(4,272)		
(77,731)			(67,031)		

* For a split of this balance between the General Fund and the HRA - see the Movement in Reserves Statement

Expenditure and Funding Analysis (cont)

This analysis provides a reconciliation of the main adjustments to Net Expenditure Chargeable to the General Reserve to arrive at the amounts in the Comprehensive Income and Expenditure Statement. The relevant transfers between reserves are explained in the Movement in Reserves Statement.

Adjustments between Funding and Accounting Basis

2023/2024				2024/2025				
Adjustments for Capital Purposes (Note 1) £000	Net change for the Pensions Adjustments (Note 2) £000	Other Differences (Note 3) £000	Total Adjustments £000	Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments for Capital Purposes (Note 1) £000	Net change for the Pensions Adjustments (Note 2) £000	Other Differences (Note 3) £000	Total Adjustments £000
-	651	275	926	Children & Families Services	(1)	1,443	(444)	998
-	489	(657)	(168)	Dundee Health & Social Care Partnership	-	959	(350)	609
52,354	208	(2,097)	50,465	City Development	64,065	405	(8,201)	56,269
1,364	333	(147)	1,550	Neighbourhood Services	1,415	757	4,700	6,872
-	34	(7)	27	Chief Executive	-	64	(4)	60
2,622	503	(8)	3,117	Corporate Services	2,508	365	(95)	2,778
-	203	(371)	(168)	Construction	-	405	(440)	(35)
22,880	75	(6,775)	16,180	Housing Revenue Account	21,183	16	(8,175)	13,024
-	(2,585)	2,247	(338)	Miscellaneous Items	-	(2,452)	2,929	477
79,220	(89)	(7,540)	71,591	Cost Of Services	89,170	1,962	(10,080)	81,052
(1,739)	(1,499)	7,422	4,184	Other income and expenditure from the Expenditure and Funding Analysis	(41,455)	(501)	9,203	(32,753)
77,481	(1,588)	(118)	75,775	Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	47,715	1,461	(877)	48,299

Notes

1) Adjustments for capital purposes - this column adds in depreciation and impairment and revaluation gains and losses in the services line and for:

Other operating expenditure - adjustments for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.

Financing and investment income and expenditure - the statutory charges for capital financing ie loan repayments and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.

Taxation and non-specific grant income and expenditure - capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

2) Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

For **services** this represents the removal of the employer pension contributions made by the Council as allowed by statute and the replacement with current service costs and past service costs.

For **Financing and investment income and expenditure** - the net interest on the defined benefit liability is charged to the CIES.

3) Other differences between amounts debited / credited to the Comprehensive Income and Expenditure Statement and amounts payable /receivable to be recognised under statute:

For **services** this represents the inclusion of a charge for short-term accumulating compensating absences, mainly relating to accrued annual leave entitlement. Allocations of insurance costs and impairment allowances on trade debtors have been included.

For **Financing and investment income and expenditure** - the other differences column recognises adjustments to the General Fund for the re-measurement of the revenue costs / income associated with financial instruments.

For **Financing and investment income and expenditure** - the other differences column recognises interest payable / receivable on the Housing Revenue Account being reclassified as a corporate cost.

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation or rents. Councils raise taxation and rents to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

2023/2024				2024/2025		
Gross Expend £000	Gross Income £000	Net Expend / (Income) £000		Gross Expend £000	Gross Income £000	Net Expend / (Income) £000
238,568	(40,714)	197,854	Children & Families Services	242,788	(21,908)	220,880
258,180	(154,486)	103,694	Dundee Health & Social Care Partnership	279,750	(167,840)	111,910
103,803	(27,477)	76,326	City Development	113,928	(33,098)	80,830
39,426	(12,070)	27,356	Neighbourhood Services	39,693	(11,914)	27,779
17,920	(2,193)	15,727	Chief Executive	16,931	(2,406)	14,525
87,483	(51,657)	35,826	Corporate Services	86,206	(49,798)	36,408
6,458	(6,553)	(95)	Construction	8,456	(8,009)	447
78,024	(57,769)	20,255	Housing Revenue Account	79,090	(61,942)	17,148
497	-	497	Discretionary NDR Relief	493	-	493
802	-	802	Tayside Valuation Joint Board	1,028	-	1,028
5,222	(1,390)	3,832	Miscellaneous Items	3,443	222	3,665
836,383	(354,309)	482,074	Cost Of Services	871,806	(356,693)	515,113
		(289)	Other Operating Expenditure (note 5)			(3,046)
		30,006	Financing and Investment Income and Expenditure (note 6)			35,361
		(453,829)	Taxation and Non-Specific Grant Income (note 7)			(484,157)
		57,962	Deficit on Provision of Services			63,271
		(76,629)	(Surplus) or Deficit on revaluation of non-current assets			24,585
		1,978	Impairment losses on non-current assets charged to the Revaluation Reserve			317
		(120)	(Surplus) or Deficit on financial assets measured at fair value through other comprehensive income			2
		-	Notional gain on adoption of IFRS 16			(230)
		2,606	Remeasurements of the net defined benefit liability (asset)			(5,291)
		(72,165)	Other Comprehensive (Income) / Expenditure			19,383
		(14,203)	Total Comprehensive (Income) / Expenditure			82,654

Movement in Reserves Statement

This statement shows the movement from the start of the year to the end on the different reserves held by the Council, analysed into 'usable reserves' (ie those that can be applied to fund expenditure or reduce local taxation) and other 'unusable reserves'. The Movement in Reserves Statement shows how the movements in year of the Council's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax [or rents] for the year. The Net Increase/Decrease line shows the statutory General Fund Balance and Housing Revenue Account Balance movements in the year following those adjustments.

2023/2024	Revenue Reserves				Capital Reserves		Total Usable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
	General Fund Balance £000	HRA Balance £000	Renewal & Repair Fund £000	Insurance Fund £000	Capital Grants & Receipts Unapplied Account £000	Capital Fund £000			
Balance at 31 March 2023 brought forward	(56,647)	-	(14,759)	(644)	(1,375)	(2,690)	(76,115)	(982,364)	(1,058,479)
Movement in Reserves during 2023/2024									
Total Comprehensive Income & Expenditure	32,405	25,557	-	-	-	-	57,962	(72,165)	(14,203)
Adjustments to Usable Reserves Permitted by Accounting Standards	(20,784)	(13,831)	-	-	-	-	(34,615)	34,615	-
Adjustments Between Accounting Basis & Funding Basis Under Regulations (note 9)	(33,509)	(7,651)	-	-	1,021	657	(39,482)	39,482	-
Net (Increase)/ Decrease before Transfers to Earmarked Reserves	(21,888)	4,075	-	-	1,021	657	(16,135)	1,932	(14,203)
Transfers to/(from) Other Statutory Reserves	804	(4,075)	3,933	(548)	-	(114)	-	-	-
(Increase)/ Decrease in 2023/2024	(21,084)	-	3,933	(548)	1,021	543	(16,135)	1,932	(14,203)
Balance at 31 March 2024 carried forward	(77,731)	-	(10,826)	(1,192)	(354)	(2,147)	(92,250)	(980,432)	(1,072,682)

2024/2025	Revenue Reserves				Capital Reserves		Total Usable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
	General Fund Balance £000	HRA Balance £000	Renewal & Repair Fund £000	Insurance Fund £000	Capital Grants & Receipts Unapplied Account £000	Capital Fund £000			
Balance at 31 March 2024 brought forward	(77,731)	-	(10,826)	(1,192)	(354)	(2,147)	(92,250)	(980,432)	(1,072,682)
Movement in Reserves during 2024/2025									
Total Comprehensive Income & Expenditure	38,959	24,312	-	-	-	-	63,271	19,383	82,654
Adjustments to Usable Reserves Permitted by Accounting Standards	(21,840)	(18,347)	-	-	-	-	(40,187)	40,187	-
Adjustments Between Accounting Basis & Funding Basis Under Regulations (note 9)	(6,271)	(1,841)	-	-	13	(480)	(8,579)	8,579	-
Net (Increase)/ Decrease before Transfers to Earmarked Reserves	10,848	4,124	-	-	13	(480)	14,505	68,149	82,654
Transfers to/(from) Other Statutory Reserves	(148)	(4,124)	4,531	(168)	-	(91)	-	-	-
(Increase)/ Decrease in 2024/2025	10,700	-	4,531	(168)	13	(571)	14,505	68,149	82,654
Balance at 31 March 2025 carried forward	(67,031)	-	(6,295)	(1,360)	(341)	(2,718)	(77,745)	(912,283)	(990,028)

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Council. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council. Reserves are reported in two categories. The first category is usable reserves, i.e. those that the Council may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Fund that may only be used to fund capital expenditure or repay debt). The second category is those that the Council is not able to use to provide services. This category includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

31 March 2024 £000			31 March 2025 £000
1,841,102	Property, Plant & Equipment	27	1,913,186
20,792	Heritage Assets	41	20,855
13,073	Investment Property	24	13,073
2,759	Intangible Assets	25	2,675
29	Long Term Investments	37	29
11,095	Long Term Debtors	37/44	11,942
1,888,850	Long Term Assets		1,961,760
3,252	Short Term Investments	37	3,156
1,102	Inventories	-	1,114
58,378	Short Term Debtors	31	67,287
1,626	Cash and Cash Equivalents	16	-
4,493	Assets held for sale	30	4,448
68,851	Current Assets		76,005
(95,097)	Short Term Borrowing	37	(183,872)
(98,861)	Short Term Creditors	32/37	(77,375)
-	Cash and Cash Equivalents	16	(6,357)
(193,958)	Current Liabilities		(267,604)
(4,297)	Provisions	33	(3,170)
(494,522)	Long Term Borrowing	37	(518,204)
(32,221)	Pension Liability	12/20	(28,391)
(153,479)	Other Long Term Liabilities	43	(218,824)
(6,542)	Grants Receipts in Advance	36	(11,544)
(691,061)	Long Term Liabilities		(780,133)
1,072,682	Net Assets		990,028
92,250	Usable Reserves	11	77,745
980,432	Unusable Reserves	12	912,283
1,072,682	Total Reserves		990,028

The unaudited accounts were authorised for issue on 25 June 2025 and the audited accounts were authorised for issue on 24 September 2025 and signed on their behalf by:-



Paul Thomson CPFA
Executive Director of Corporate Services
Dundee City Council

The notes on pages 58 to 126 form part of the financial statements.

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council are funded by way of taxation and grant income or from the recipients of services provided by the Council. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Council's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Council.

2023/2024 £000		2024/2025 £000
57,963	Net deficit on the provision of services	63,271
(70,514)	Adjust net (surplus) on the provision of services for non-cash movements	(71,848)
2,356	Adjust for items included in the net (surplus) or deficit on the provision of services that are investing and financing activities	3,323
(10,195)	Net cash flows from Operating Activities	(5,254)
82,125	Investing Activities (note 14)	117,626
(60,867)	Financing Activities (note 15)	(104,389)
11,063	Net (increase)/decrease in cash and cash equivalents	7,983
12,689	Cash and cash equivalents at the beginning of the reporting period	1,626
1,626	Cash and cash equivalents at the end of the reporting period (note 16)	(6,357)

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1 Accounting Policies

A. General Principles

The Annual Accounts summarise the Council's transactions for the 2024/25 financial year and its position at the year-end of 31 March 2025. The Council is required to prepare Annual Accounts by The Local Authority Accounts (Scotland) Regulations 2014. Section 12 of the Local Government in Scotland Act 2003 requires that they be prepared in accordance with proper accounting practices. These practices under Section 21 of the 2003 Act primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 and the Service Reporting Code of Practice 2024/25, supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under Section 12 of the 2003 Act. The accounts have been prepared on a going concern basis. The accounting convention adopted in the Annual Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

B. Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption; they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including those rendered by the Council's employees) are recorded as expenditure when the services are received, rather than when payments are made.
- Interest payable on borrowings and receivable on investments is accounted for on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

Where the Council is acting as an agent for another party (e.g. in the collection of Non-Domestic Rates, Scottish Water Charges etc), income and expenditure are recognised only to the extent that commission is receivable by the Council for the agency services rendered or the Council incurs expenses directly on its own behalf in rendering the services.

C. Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents comprise short term lending that is repayable on demand or within 3 months of the Balance Sheet date and that is readily convertible to known amounts of cash with insignificant risk of change in value. In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Council's cash management.

D. Changes in Accounting Policies and Estimates and Errors

Changes in accounting policies are only made when required by proper accounting practices or when the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Council's financial position or financial performance. Where a change is made and it is material to the financial statements, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change. Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

E. Charges to Revenue for Non-Current Assets

Services are debited with the following amounts to record the cost of holding non-current assets during the year:

- depreciation attributable to the assets used by the relevant service
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off
- amortisation of intangible assets attributable to the service

The Council is not required to raise Council Tax to cover depreciation, revaluation and impairment losses or amortisation. However, it is required to make an annual provision from revenue to contribute towards the reduction in its overall borrowing requirement, equal to the Statutory Repayment of Loans Fund Advances. Depreciation (historic cost element), revaluation and impairment losses and amortisation are therefore replaced by the contribution in the General Fund Balance (the Statutory Repayment of Loans Fund Advances), by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two. The charge to services for the current value element of depreciation is offset by a transfer from the Revaluation Reserve in the Movement in Reserves Statement.

F. Employee Benefits

Benefits Payable During Employment

Short-term employee benefits (those that fall due wholly within 12 months of the year-end), such as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (eg cars) for current employees, are recognised as an expense in the year in which employees render service to the Council. An accrual is made for the cost of holiday entitlements earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to Surplus or Deficit on the Provision of Services, but then the element relating to accrued holiday entitlements is reversed out through the Movement in Reserves Statement so that holiday entitlements are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy in exchange for those benefits and are charged on an accruals basis to the appropriate service segment or, where applicable, to a corporate service segment at the earlier of when the Council can no longer withdraw the offer of those benefits or when the Council recognises costs for a restructuring. Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post Employment Benefits

Employees of the Council are members of two separate pension schemes:

- the Local Government Pension Scheme (Tayside Pension Fund), a defined benefits scheme which is administered by the Council.
- the Teachers' Scheme, an unfunded scheme administered nationally by the Scottish Public Pensions Agency.

Both schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Council.

However, the arrangements for the teachers' scheme mean that liabilities for these benefits cannot be identified specifically to the Council. The scheme is therefore accounted for as if it were a defined contributions scheme and no liability for future payments of benefits is recognised in the Balance Sheet. The Children & Families Service line in the Comprehensive Income and Expenditure Statement is charged with the employer's contributions payable to Teachers' Pensions in the year.

The Local Government Pension Scheme

The Local Government Scheme is accounted for as a defined benefits scheme:

- The liabilities of the Tayside Pension Fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method – ie an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc, and projections of earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate based on the indicative rate of return on high quality corporate bond, iBoxx AA rated over 15 year corporate bond index.

The assets of the Tayside Pension Fund attributable to the Council are included in the Balance Sheet at their fair value:

- quoted securities - current bid price
- unquoted securities - professional estimate
- unitised securities - current bid price

- property - market value
- The change in the net pensions liability is analysed into the following components:
 - Service Cost* comprising:
 - current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
 - past service cost – the increase in liabilities arising as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years – debited to the Surplus/Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Miscellaneous Items.
 - net interest on the net defined benefit liability/asset, ie net interest expense for the Council – the change during the period in the net defined benefit liability/asset that arises from the passage of time, charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability/asset at the beginning of the period, taking into account any changes in the net defined benefit liability/asset during the period as a result of contribution and benefit payments.
 - Remeasurements* comprising:
 - the return on plan assets – excluding amounts included in net interest on the net defined benefit liability/asset – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
 - actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
 - contributions paid to the Tayside Pension Fund – cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

Should the Local Government Pension Scheme (Tayside Pension Fund) pension scheme move into a net asset position based on IAS19, the requirements of IFRIC14 (*IAS19- The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*) is applied using the key assumptions that fund population will remain stable, and that over the life of the fund service costs and future accruals (employer contributions) will apply.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are transfers to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact on the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

G. Events After the Reporting Period

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Annual Accounts are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Annual Accounts are adjusted to reflect such events
- those that are indicative of conditions that arose after the reporting period – the Annual Accounts are not adjusted to reflect such events, but where a category of events would have a material effect disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Annual Accounts.

H. Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised. For most of the borrowings that the Council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest) and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

Gains and losses on the repurchase or early settlement of borrowing are credited or debited accordingly to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement in the year of repurchase/settlement. However, where repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the General Fund Balance to be spread over future years. The Council has a policy of spreading the gain/loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

I. Financial Assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cashflow characteristics. There are three main classes of financial assets measured at:

- amortised cost
- fair value through profit or loss
- fair value through other comprehensive income (FVOCI)

The authority's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest (i.e. where the cash flows do not take the form of a basic debt instrument).

Financial Assets Measured at Amortised Cost

Financial assets measured at amortised cost are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the financial assets held by the Council, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement.

Any gains and losses that arise on the de-recognition of an asset are credited or debited accordingly to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Expected Credit Loss Model

The Council recognises expected credit losses on all of its financial assets held at amortised cost (or where relevant FVOCI), either on a 12-month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables (debtors) held by the Council. Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

Financial Assets Measured at Fair Value Through Profit or Loss (FVPL)

Financial assets that are measured at FVPL are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arise in the Surplus or Deficit on the Provision of Services.

The fair value measurements of the financial assets are based on the following techniques:

- instruments with quoted market prices – the market price
- other instruments with fixed and determinable payments – discounted cash flow analysis

The inputs to the measurement techniques are categorised in accordance with the following three levels:

- Level 1 inputs – quoted prices (unadjusted) in active markets for identical assets that the Council can access at the measurement date.
- Level 2 inputs – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.
- Level 3 inputs – unobservable inputs for the asset.

Any gains and losses that arise on the derecognition of the asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

J. Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and third-party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- the Council will comply with the conditions attached to the payments, and
- the grants or contributions will be received

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Account until conditions attaching to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset in the form of the grant or contribution are required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor. Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors (Grant Receipts in Advance). When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants/contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement. Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants & Receipts Unapplied Account. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants & Receipts Unapplied Account are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

K. Heritage Assets

The Council's Heritage Assets, which are primarily held in the McManus Art Gallery and Museum and the Central Library, are held in support of the primary objective of increasing the knowledge, understanding and appreciation of the history of Dundee and the surrounding area. Heritage assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Council's accounting policies on property, plant and equipment. However, some of the measurement rules are relaxed in relation to heritage assets as detailed below. The accounting policies in relation to heritage assets are also presented below.

The Council's collections of heritage assets are accounted for as follows:

Museum and Art Gallery Collections

The collections of the McManus Art Gallery and Museum form the major part of the heritage assets held by the Council. These collections have been built up over a period of 150 years and are used for reference, research and education. Items recognised in the Balance Sheet, mainly relating to the Fine Art Collection, are reported at insurance valuation which is based on market values. The assets are deemed to have indeterminate lives and a high residual value; hence the Council does not consider it appropriate to charge depreciation.

Other Heritage Assets

The McKenzie Photographic Collection and the Desperate Dan statue, previously recognised in the Council's balance sheet as Community assets, have been reclassified as Heritage assets. These assets are held in the

Balance Sheet at cost as the cost of obtaining valuations would be disproportionate in relation to the benefits to the users of the Council's financial statements. These assets are deemed to have indeterminate lives, hence the Council does not consider it appropriate to charge depreciation.

Heritage Assets Not Recognised in the Balance Sheet

In addition to the above, the Council holds heritage assets which, in light of the relaxation of measurement rules, are not recognised in the Balance Sheet. These include some collections in the Council's museums, galleries and libraries as well as civic regalia, statues, monuments, memorials, fountains and outdoor artworks at various locations throughout Dundee. The Council considers that, due to the diverse nature of the assets held and the lack of comparable values, the cost of obtaining valuations would be disproportionate in relation to the benefits to the users of the Council's financial statements. As a result, fair value information is unavailable and cost information is also unknown. These assets are therefore not recognised in the Balance Sheet, however, detailed information regarding them is held on relevant databases.

Heritage Assets – Impairment

Whilst heritage assets are not revalued regularly, the carrying amounts of heritage assets are reviewed where there is evidence of impairment, for example where an item has suffered physical deterioration or breakage. Any impairment is recognised and measured in accordance with the Council's general policies on impairment.

L. Interests in Companies and Other Entities

The Council has material interests in companies and other entities that have the nature of subsidiaries, associates and joint ventures and require it to prepare group accounts. In the Council's own single-entity accounts, the interests in companies and other entities are recorded as financial assets at cost, less any provision for losses.

M. Inventories and Long-Term Contracts

Inventories are included in the Balance Sheet at the lower of cost and net realisable value. The cost of inventories is generally assigned using the weighted average costing formula. Where inventories are acquired through a non-exchange transaction, they are included in the Balance Sheet at their fair value at the date of acquisition. Where inventories are held for distribution at no charge or for a nominal charge, or for consumption in the production process of such goods, then their value is measured at the lower of cost or current replacement cost. Long-term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the consideration allocated to the performance obligations satisfied based on the goods or services transferred to the service recipient during the financial year.

N. Investment Properties

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale. Investment properties are measured initially at cost and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal. Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account.

O. Overheads and Support Services

The costs of overheads and support services are charged to service segments in accordance with the Council's arrangements for accountability and financial performance.

P. Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated

with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- the initial estimate of costs for dismantling and removing the item and restoring the site on which it is located

The Council does not currently capitalise borrowing costs incurred whilst assets are under construction.

Assets are then carried in the Balance Sheet using the following measurement bases:

- community assets and assets under construction – historical cost
- infrastructure and vehicles, plant & equipment – depreciated historical cost
- council dwellings – current value, determined using the basis of existing use value for social housing (EUV - SH)
- surplus assets - the current value measurement base is fair value, estimated at highest and best use from a market participant's perspective
- other land & buildings – current value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV). Where there is no market-based evidence of current value because of the specialist nature of an asset, depreciated replacement cost is used as an estimate of current value.

Assets included in the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains would be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a revaluation or impairment loss previously charged to a service. Where decreases in value are identified, the revaluation loss is accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall. Where impairment losses are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Assets Held for Sale / Disposals

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any losses previously recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale; adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been reclassified as Held for Sale, and their recoverable amount at the date of the decision not to sell. Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account. Amounts received for disposals are categorised as capital receipts. Receipts are required to be credited to the Capital Fund, and can then only be used for new capital investment or set aside to reduce the Council's underlying need to borrow (the capital financing requirement). Receipts are appropriated to the Fund from the General Fund Balance in the Movement in Reserves Statement. The written-off value of disposals is not a charge against Council Tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain Community Assets) and assets that are not yet available for use (ie, assets under construction).

Depreciation is calculated on the following bases:

- council dwellings and other buildings – straight-line allocation over the useful life of the property as estimated by the valuer.
- vehicles, plant and equipment – straight line allocation over between 3 and 10 years.
- infrastructure – straight-line allocation over between 10 and 30 years.

Where an item of Property, Plant and Equipment has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately. Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the General Fund Balance in the Movement in Reserves Statement.

Disposal and Derecognition of Infrastructure Assets

When a component of an infrastructure asset is disposed of or decommissioned, the carrying amount of the component in the Balance Sheet is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement, also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal).

The written-off amounts of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are transferred to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

Where any part of infrastructure assets are replaced, an adaptation provided in a separate update to the Code assumes that from the introduction of the IFRS based Code when parts of an asset are replaced or restored the carrying amount of the derecognised part will be zero because parts of infrastructure assets are rarely replaced before the part has been fully consumed.

Right of Use Assets

The Council adopted IFRS 16 (Leases) with effect from 1 April 2024. The main impact of the requirements of IFRS 16 is that, for arrangements previously accounted for as operating leases (i.e. without recognising the leased vehicles, plant, equipment, property and land as an asset, and future rents as a liability), a right-of-use asset and a lease liability are now included on the balance sheet from 1 April 2024. The Council has elected to apply recognition exemptions to low value assets (below £6,000 when new) and to short term leases i.e. existing leases that expire on or before 31 March 2026, and new leases with a duration of less than 12 months. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As noted under policy R below, with effect from 1 April 2024 IFRS16 also applies to Service Concession Agreements and recognition of the resultant remeasurement of the lease liability.

Any leases that are exempted from Right of Use Asset recognition are accounted for as leases as per policy Q below.

Q. Leases

Leases that are exempted from IFRS16 Right of Use Assets accounting as per policy P above are classified as operating leases. These are leases where the terms of the lease do not transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee.

The Council as Lessee

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefiting from use of the leased property, plant or equipment. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. if there is a rent-free period at the commencement of the lease).

Sale and Leaseback Transaction - where an analysis under SIC 27 (Standards Interpretation Committee 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease) indicates that the arrangement is not, in substance, a sale and leaseback but instead is a financing arrangement, the leasing requirements of the Code are not applied. Instead, the sale proceeds transferred are treated as the advance of a loan and the subsequent lease payments are treated as repayments of that loan. The loan is recognised and measured in accordance with IAS 39 Financial Instruments: Recognition and Measurement. The underlying asset is not derecognised by the seller/lessee.

The Council as Lessor

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet as a non-current asset and continues to be subject to depreciation, revaluation and impairment review, in accordance with the relevant accounting policies. Rental income is credited to the appropriate service line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (eg, there is a premium paid at the commencement of the lease). Any initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

R. Private Finance Initiative (PFI) and Similar Contracts

PFI and similar contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. As the Council is deemed to control the services that are provided under its PFI schemes and as ownership of the property, plant and equipment will pass to the Council at the end of the contracts for no additional charge, the Council carries the assets used under the contracts on its Balance Sheet as part of Property, Plant and Equipment. The original recognition of these assets at fair value (based on the cost to purchase the property, plant and equipment) was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investment. Non-current assets recognised on the Balance Sheet are revalued and depreciated in the same way as property, plant and equipment owned by the Council.

The amounts payable to the PFI operators each year are analysed into five elements:

- fair value of the services received during the year – debited to the relevant service in the Comprehensive Income and Expenditure Statement
- finance cost – an interest charge on the outstanding Balance Sheet liability, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement
- contingent rent – increases in the amount to be paid for the property arising during the contract, forms part of Service Concession debt as remeasured under IFRS16 and amortised between finance costs and debt repayments over the remaining term of service concession contracts
- payment towards liability – applied to write down the Balance Sheet liability towards the PFI operator (the profile of write-downs is calculated using the same principles as for a finance lease)
- lifecycle replacement costs – posted to the Balance Sheet as additions to Property, Plant and Equipment but determined as non-value adding.

Service Concession Agreements are accounted for in accordance with IFRIC 12 'Service Concession Arrangements'. The Standard recognises that the Council is in control of services provided under the PPP scheme. As ownership of the long-term assets will pass to the Council at the end of the contract for no

additional charge, the Council carries the assets on the Balance Sheet. With effect from 1 April 2024, IFRS 16 (Leases) also applies to service concession arrangements. Under IFRS16, where indexation (or other changes in a rate) affects future service concession payments, the lease liability requires to be remeasured. Instead of expensing the increased payment, the net present value of future payments that comprise the liability is recalculated based on the revised level of payments.

Service Concession Arrangement flexibility application

The Scottish Government's 2022 Resource Spending Review contained details of a Service Concession Arrangement (SCA) flexibility that related to the Council's PFI contracts. The flexibility permits councils to undertake internal accounting changes that extend the period over which the principal repayment of the unitary charge can be made which results in a one-off credit to the General Fund and ongoing annual savings for a period of time. In the remaining years following the end of the SCAs, the rescheduled debt repayments continue until the debt liability has been extinguished. The Statutory Regulation in relation to this matter, Local Government Finance Circular 10/2022 (FC 10/2022), was published in September 2022.

FC 10/2022 replaces the 2010 version that covered this area and permits the authority to apply a temporary flexibility for service concession arrangements entered prior to April 2022. The Circular sets out the accounting requirements and the options permitted for the recognition of repayments of the principal element of the lease component or the lease liability for the year and the temporary flexibility for SCAs entered prior to 1 April 2022.

The Council has applied the permitted change in the calculation of the statutory charge in 2023/24 and the adopted approach has been applied across all three such arrangements held by the Council in line with the key accounting principle of consistency.

The annual unitary charge will continue to be paid to the contractor over the contract period. The guidance applies to principal and not to interest, service charge costs or grant. These will continue to be accounted for over the contract period.

Annuity method for revised repayment of debt liability

The recalculation of the debt liability charges applies the annuity method to calculate the revised repayments. This method best represents the consumption of the assets over their useful lives.

This methodology is applied within the Councils current Loans Fund repayment policy. The use of an annuity method for the writing down of the PPP debt liability therefore ensures a consistent approach for the writing down of all debt which is financing capital expenditure, in that;

- The annuity method provides a fairer charge than equal instalments as it takes account of the time value of money, whereby paying £100 in 10 years' time is less of a burden than paying £100 now.
- The schedule of charges produced by the annuity method thus results in a consistent charge over an asset's life, considering the real value of the amounts when they fall due.
- The annuity method is a prudent basis for providing for assets that provided a steady flow of benefits over their useful life.'

Useful Economic Life

The asset lives used in the calculation is the agreed Useful Economic Life (UEL) as per the Council's fixed asset register for the respective assets. The overall UEL for SCA assets range from 40 to 60 years.

Capital Financing Requirement

The reprofiling of the debt liability repayments over the life of the asset rather than the life of the contract increased the Capital Financing Requirement (CFR) from 1 April 2023. The increase in the CFR will continue to be reduced by the revised repayments after each SCA contract has expired until the end of the revised period.

Accounting Treatment

The statutory adjustment up to 31 March 2023 resulted in a retrospective debit to the Capital Adjustment account in 2023/24 with a corresponding credit in the Movement in Reserves Statement within the General Fund. Further in year annual reductions will be applied along similar lines as the retrospective adjustment until the end of the contract period for each of the three SCAs. Thereafter the revised charges will result in higher cost being charged to the General fund than the current repayment profile until the end of the UEL.

S. Provisions, Contingent Liabilities and Contingent Assets

Provisions – General

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement when the Council has an obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service. Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the Balance Sheet but are disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent assets are not recognised in the Balance Sheet but are disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

T. Reserves

Reserves are created by transferring amounts out of the General Fund Balance. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus/Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then transferred back into the General Fund Balance so that there is no net charge against Council Tax for the expenditure. Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and these reserves do not represent usable resources for the Council. Further information on the Council's reserves is contained in notes 11 and 12.

U. VAT

VAT payable is included as an expense only to the extent that it is not recoverable from His Majesty's Revenue and Customs. VAT receivable is excluded from income.

V. Intangible Assets

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Council as a result of past events (eg software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Council. Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Council can be determined by reference to an active market. In practice, no intangible assets held by the Council meet this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. As asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and, for sale proceeds, to the Capital Receipts Reserve.

W. Fair Value Measurement

The Council measures some of its non-financial assets and some of its financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability

in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- a) in the principal market for the asset or liability, or
- b) in the absence of a principal market, in the most advantageous market for the asset or liability.

The Council measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. When measuring the fair value of a non-financial asset, the Council takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling to another market participant that would use the asset in its highest and best use.

The Council uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Council's financial statements are categorised within the fair value hierarchy, as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the Council can access at the measurement date
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - unobservable inputs for the asset or liability.

2 Accounting Standards That Have Been Issued but Have Not Yet Been Adopted

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. This applies to the adoption of the following new or amended standards within the 2025/2026 Code:

- changes to the measurement of non-investment assets within the 2025/26 Code include adaptations and interpretations of IAS 16 *Property, Plant and Equipment* and IAS 38 *Intangible Assets*. These include setting out three revaluation processes for operational property, plant and equipment, requiring indexation for tangible non-investment assets and a requirement to value intangible assets using the historical cost approach.

3 Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Annual Accounts are:

- The Council is deemed to control the services provided under the PPP contract with Discovery Education PLC to construct, maintain and facilities-manage six new primary schools and two new secondary schools in the city. The Council is also deemed to control the residual value of the schools at the end of the agreement. The accounting policies for PFI schemes and similar contracts have been applied to the arrangement and the schools (valued at £155m as at 31 March 2025) are recognised as Property, Plant and Equipment on the Council's Balance Sheet.
- The Council is deemed to control the services provided under the DBFM contract with Hub East Central (Baldragon) Limited to construct, maintain and facilities-manage a new secondary school in the city. The Council is also deemed to control the residual value of the school at the end of the agreement. The accounting policies for PFI schemes and similar contracts have been applied to the arrangement and the school (valued at £41m as at 31 March 2025) is recognised as Property, Plant and Equipment on the Council's Balance Sheet.
- The Council is deemed to control the services provided under the long term waste disposal contract with MVV Environment Baldovie Limited (MEB). The existing DERL plant is being utilised by MEB to deliver the contractual requirements alongside the new plant constructed on an adjacent site. The new plant was constructed by MEB and will be maintained by them. The Council is also deemed to control the residual value of the new plant at the end of the contract. The accounting policies for PFI schemes and similar contracts have been applied to the arrangement and the Council's share of the plant (valued at £57m as at 31 March 2025) is recognised as Property, Plant and Equipment on the Council's Balance Sheet.
- During 2019/2020, Dundee House (an administrative building) was sold to Canada Life with the Council then entering into a 40 year lease with Canada Life for the continued occupation of Dundee House. The sale price was £23.8m. In accounting terms, the transaction has been treated as a financing arrangement, with the asset continuing to be recognised in the Council's balance sheet and a long-term liability equivalent to the sale price less financing repayments also being recognised.

- Group accounts boundary: the basis for inclusion of group entities into the Group Accounts is disclosed in Note 4 to the Group Accounts.

4 Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The Annual Accounts contain estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet at 31 March 2025 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Property, Plant and Equipment	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Council will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. It is estimated that the annual depreciation charge for buildings would increase by £2.8m for every year that useful lives had to be reduced.
Pensions Liability/ Asset	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.	The effects on the net pensions liability of changes in individual assumptions can be measured. For instance, a 0.1% increase in the discount rate assumption would result in a decrease in the pension liability of £0.7m. However, the assumptions interact in complex ways. During 2024/2025, the Council's actuaries advised that the net pensions liability had decreased by £3.8m. The decrease was due to a number of factors: changes in actuarial financial assumptions, experience losses on the defined benefit obligation, return on plan assets and the difference between Current Service Cost and the employer's pension contributions to the scheme for the year.
Debtors /Non-collection Provisions	At 31 March 2025, the Council has a gross balance for short-term sundry debtors of £110.956m, including local taxation and housing rent debtors. A review of the different categories of debt has concluded that an overall allowance for impairment of £43.669m is appropriate. However, while representing our best estimate, in the current economic climate it is not certain that these allowances would be sufficient. Detailed information on debtor impairment allowances is provided in note 33.	If collection rates were to deteriorate, an increase in the amount provided for doubtful debts would require to be charged.

5 Comprehensive Income and Expenditure Statement – Other Operating Expenditure

2023/2024 £000		2024/2025 £000
(539)	(Gains) / losses on the disposal of non current assets	(3,046)
250	Impairment of Assets Held for Sale	-

(289) Total**(3,046)****6 Comprehensive Income and Expenditure Statement – Financing and Investment Income and Expenditure**

2023/2024		2024/2025
£000		£000
34,063	Interest payable and similar charges	39,019
(1,499)	Net interest on the net defined benefit liability (asset)	(501)
(1,521)	Interest receivable and similar income	(1,358)
0	Changes in the fair value of investment properties	0
(1,169)	Net income from investment properties	(1,142)
379	Share of Tayside Contracts surplus	(160)
(1,062)	Scottish Government contribution to DBFM interest costs	(1,065)
(864)	SG contribution to DBFM loan repayment costs	(852)
0	Dovetail loans write off costs less Studio Dundee recovery	50
1,679	Trade Debtors Impairment Allowance	1,370
30,006	Total	35,361

7 Comprehensive Income and Expenditure Statement – Taxation and Non Specific Grant Income

2023/2024		2024/2025
£000		£000
(64,124)	Council Tax Income	(66,343)
(73,704)	Contribution from national non domestic rates pool	(73,695)
(277,744)	Non-ring-fenced government grants	(318,014)
(38,257)	Capital grants and contributions	(26,042)
0	Donated asset	(63)
(453,829)	Total	(484,157)

Non-domestic rate income as reported under taxation and non-specific grant income and expenditure comprises income assigned by the Scottish Government from the national non-domestic rates pool, as well as non-domestic rate income which is not submitted to the national pool but is retained by the Council.

	31 March 2024	31 March 2025
	£000	£000
Distribution from non-domestic rate pool	73,704	73,695
Non-domestic rate income retained by authority (BRIS)	-	-
Non-domestic rate income credited to the comprehensive income and expenditure statement	73,704	73,695

8 Subjective Analysis of Surplus or Deficit on the Provision of Services

2023/2024		2024/2025
£000		£000
303,255	Employee benefit expenses	312,342
72,869	Property costs	75,676
10,734	Supplies & services	11,148
5,869	Transport	6,095
50,234	Transfer payments	52,169

297,664	Third party payments	309,131
3,095	Support service recharges	3,271
92,290	Depreciation, amortisation and impairment	101,789
34,063	Interest payments	39,019
802	Precepts and levies	1,029
870,875	Total Expenditure	911,669
(206,340)	Fees, charges and other service income	(218,425)
(2,690)	Interest and investment income	(2,500)
(64,124)	Income from Council Tax	(66,343)
(539,219)	Government grants and contributions	(558,085)
(539)	Gain on disposal of non-current assets	(3,045)
(812,912)	Total Income	(848,398)
57,963	(Surplus) or Deficit on the Provision of Services	63,271

9 Movement in Reserves Statement – Adjustments between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Council in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

2023/2024	Usable Reserves			Capital Grants & Receipts Unapplied Account £000	Movement in Unusable Reserves £000	Total 2023/2024 £000
	General Fund Balance £000	HRA Balance £000	Capital Fund £000			
Adjustments involving the Capital Adjustment Account:						
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:						
Charges for depreciation and impairment of non current assets	(35,047)	(21,869)	-	-	56,916	-
Movements in the market value of Investments Properties and Assets Held for Sale	(158)	(92)	-	-	250	-
Capital grants and contributions that have been applied to capital financing	36,718	1,531	(5,701)	-	(32,548)	-
Revenue expenditure funded from capital under statute	(507)	-			507	-
Amounts of non current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income & Expenditure Statement	432	107	-	-	(539)	-
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:						
Statutory provision for the financing of capital investment	9,881	12,370	-	-	(22,251)	-
Capital expenditure charged against the General Fund and HRA balances	2,836	-	-	-	(2,836)	-
Statutory repayment of debt (PPP) flexibility adjustment	(43,373)	-	-	-	43,373	-
Adjustments involving the Capital Fund:						

9 Movement in Reserves Statement – Adjustments between Accounting Basis and Funding Basis under Regulations – continued

2023/2024 (continued)	Usable Reserves			Capital Grants & Receipts Unapplied Account £000	Movement in Unusable Reserves £000	Total 2023/2024 £000
	General Fund Balance £000	HRA Balance £000	Capital Fund £000			
Capital grants allocation used to meet principal elements of loans fund repayments	(5,701)	-	5,701	-	-	
Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement and use of capital receipts to fund qualifying expenditure on service transformation or service redesign projects in 2022/2023	-	-	(1,011)	-	1,011	-
Capital Fund applied to finance new capital expenditure	-	-	1,995	-	(1,995)	
Adjustments primarily involving the Capital Grants Unapplied Account:						
Capital grants and contributions unapplied credited to CIES	7	-	(327)	1,021	(701)	-
Adjustments involving the Financial Instruments Adjustment Account:						
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	562	231	-	-	(793)	-
Adjustments involving the Pensions Reserve:						
Reversal of items relating to post employment benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement (see note 20)	(26,020)	(799)	-	-	26,819	-
Employer's pensions contributions & direct payments to pensioners payable in the year	27,530	876	-	-	(28,406)	-
Adjustments involving the Employee Statutory Adjustment Account:						
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(669)	(6)	-	-	675	-
Total Adjustments 2023/2024	(33,509)	(7,651)	657	1,021	39,482	-

9 Movement in Reserves Statement – Adjustments between Accounting Basis and Funding Basis under Regulations

2024/2025	Usable Reserves			Capital Grants & Receipts Unapplied Account £000	Movement in Unusable Reserves £000	Total 2024/2025 £000
	General Fund Balance £000	HRA Balance £000	Capital Fund £000			
Adjustments involving the Capital Adjustment Account:						
<u>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</u>						
Charges for depreciation and impairment of non current assets	(45,874)	(15,453)	-	-	61,327	-
Long term debtor financed through capital write off	(102)	-	-	-	102	-
Donated assets	63	-	-	-	(63)	-
Capital grants and contributions that have been applied to capital financing	25,347	695	-	-	(26,042)	-
Revenue expenditure funded from capital under statute	(272)	-	-	-	272	-
Amounts of non current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income & Expenditure Statement	2,824	222	(1,247)	-	(1,799)	-
<u>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:</u>						
Statutory provision for the financing of capital investment	14,420	12,616	-	-	(27,036)	-
Capital expenditure charged against the General Fund and HRA balances	2,140	-	-	-	(2,140)	-
Statutory repayment of debt (PPP) flexibility adjustment	(4,255)	-	-	-	4,255	-
Adjustments involving the Capital Fund:						
Capital Fund applied to finance new capital expenditure	-	-	767	-	(767)	-
Adjustments primarily involving the Capital Grants Unapplied Account:						
Capital grants and contributions applied to finance new capital expenditure	-	-	-	13	(13)	-

9 Movement in Reserves Statement – Adjustments between Accounting Basis and Funding Basis under Regulations – continued

2024/2025 (continued)	Usable Reserves			Capital Grants & Receipts Unapplied Account £000	Movement in Unusable Reserves £000	Total 2024/2025 £000
	General Fund Balance £000	HRA Balance £000	Capital Fund £000			
Adjustments involving the Financial Instruments Adjustment Account:						
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	232	83	-	-	(315)	-
Adjustments involving the Pensions Reserve:						
Reversal of items relating to post employment benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement (see note 20)	(27,904)	(867)	-	-	28,771	-
Employer's pensions contributions & direct payments to pensioners payable in the year	26,459	851	-	-	(27,310)	-
Adjustments involving the Employee Statutory Adjustment Account:						
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	651	12	-	-	(663)	-
Total Adjustments 2024/2025	(6,271)	(1,841)	(480)	13	8,579	-

10 Movement in Reserves Statement – Transfers to/from Earmarked Reserves

This note sets out the amounts set aside from the General Fund balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure.

2024/2025	Balance at 1 April 2024 £000	Transfers Out 2024/2025 £000	Transfers In 2024/2025 £000	Balance at 31 March 2025 £000	Purpose of the Earmarked Reserve
General Fund					
On-street Car Parking Balances	(597)	200	(1,319)	(1,716)	Statutory on-street car parking reserve
Second Homes etc Discount Reduction*	(2,555)	450	(353)	(2,458)	To fund new social housing
Organisational Change Fund	(2,388)	219	-	(2,169)	To fund service transformation initiatives
Budget Carry Forwards	(4,124)	2,615	-	(1,509)	To fund underspends carried forward from previous year
Covid Costs	(2,750)	1,200	-	(1,550)	To fund Covid-related costs and income shortfalls
Covid Recovery Fund	(405)	-	-	(405)	To fund Covid recovery initiatives
Service Change Fund	(5,000)	-	-	(5,000)	To fund service change initiatives
Dundee Partnership Festivals & Events Fund	(78)	78	-	-	To fund future events
Regional Performance Centre	(320)	-	(64)	(384)	To fund asset replacements
Roof maintenance cost pressures	(2,702)	827	-	(1,875)	To fund additional roof maintenance cost pressures
Cost of Living pressures	(200)	65	-	(135)	To fund Cost of Living pressures
Employability	-	-	(650)	(650)	To fund employability cost commitments
Service concessions flexibility	(39,773)	4,255	(4,255)	(39,773)	To fund cost of unwinding service concessions flexibility over the life of the assets
Contribution to budget setting	(6,640)	6,640	-	-	To fund a contribution to 2024/25 revenue budget
Children Services pressures	-	-	(1,033)	(1,033)	Funded cost pressures in third party payments
Ash dieback	(384)	184	-	(200)	To fund removal of infected and dangerous ash trees
Total - Earmarked Balances	(67,916)	16,733	(7,674)	(58,857)	
Uncommitted General Fund Balances	(9,815)	1,641	-	(8,174)	To fund unforeseen / emergency expenditure
Total - General Fund Balances	(77,731)	18,374	(7,674)	(67,031)	

10 Movement in Reserves Statement – Transfers to/from Earmarked Reserves (continued)

This note sets out the amounts set aside from the General Fund balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure.

2023/2024	Balance at 1 April 2023 £000	Transfers Out 2023/2024 £000	Transfers In 2023/2024 £000	Balance at 31 March 2024 £000	Purpose of the Earmarked Reserve
General Fund					
Car Parking Balances	(360)	-	(237)	(597)	To fund future car parking projects
Second Homes etc Discount Reduction*	(2,545)	450	(460)	(2,555)	To fund new social housing
Organisational Change Fund	(2,532)	144	-	(2,388)	To fund service transformation initiatives
Budget Carry Forwards	(5,962)	2,916	(1,078)	(4,124)	To fund underspends carried forward from previous year
Covid Costs	(14,647)	11,897	-	(2,750)	To fund Covid-related costs and income shortfalls
Covid Recovery Fund	(1,280)	875	-	(405)	To fund Covid recovery initiatives
Service Change Fund	(5,000)	-	-	(5,000)	To fund service change initiatives
Dundee Partnership Festivals & Events Fund	(78)	-	-	(78)	To fund future events
Regional Performance Centre	(256)	-	(64)	(320)	To fund asset replacements
Inflationary pressures	(3,800)	3,800	-	-	Funded known inflationary pressures
Roof maintenance cost pressures	(3,707)	1,005	-	(2,702)	To fund additional roof maintenance cost pressures
Cost of Living pressures	-	300	(500)	(200)	To fund Cost of Living pressures
Scientific Services	(288)	288	-	-	Funded decrease in external financial contributions
Service concessions flexibility	-	3,600	(43,373)	(39,773)	To fund cost of unwinding service concessions flexibility over the life of the assets
Contribution budget setting	(1,750)	1,750	(6,640)	(6,640)	To fund a contribution to 2023/24 revenue budget
Children Services pressures	(4,300)	4,300	-	-	Funded cost pressures in third party payments
Ash dieback	(411)	27	-	(384)	To fund removal of infected and dangerous ash trees
City events	(505)	505	-	-	Funded 2023/24 commitments
Total - Earmarked Balances	(47,421)	31,857	(52,352)	(67,916)	
Uncommitted General Fund Balances	(9,226)	-	(589)	(9,815)	To fund unforeseen / emergency expenditure
Total - General Fund Balances	(56,647)	31,857	(52,941)	(77,731)	

Earmarked reserve for PFI Service Concession Arrangement Flexibilities

In accordance with Accounting Policy R on page 67 and Finance Circular 10/2022, the Council has applied a permitted PFI Service Concession Arrangement (SCA) flexibility in financial year 2023/24 on a retrospective annuity basis to the three SCA's currently in place.

By applying the flexibility, a one-off combined pre 2023/24 retrospective saving of £39.773m has been achieved with the resultant benefit added to Council earmarked revenue reserves. In addition to the one-off retrospective element, budgeted saving occurred in scheduled debt repayments for years commencing 2023/24. Debt repayment savings will be generated until SCA contracts have been repaid, followed by statutory charges over the remaining lives of the assets. Over the full asset lives of the SCA's the total repayment for the debt liability remains the same. Please refer to Note 29 iv for more details.

In order to ensure that the SCA flexibility being applied is prudent, sustainable, and affordable over the life of the assets, the Council will manage its effect and utilisation through an earmarked reserve specifically set up for this purpose. The earmarked reserve will be used to capture the benefits and costs arising from the flexibility and to ensure a smoothed and sustainable profile for budget-setting and long-term financial planning purposes.

	PFI SCA Earmarked reserve opening balance £000	PFI SCA flexibility (Note 29) £000	Planned use (smoothed profile) £000	PFI SCA Earmarked reserve closing balance £000
Pre 2023/24	0	(39,773)	0	(39,773)
Paid to 2024/25	(39,773)	(7,855)	7,855	(39,773)
Payable 2025/26	(39,773)	(4,376)	4,376	(39,773)
Payable 2-5 years	(39,773)	(18,832)	15,573	(43,032)
Payable 6-10 years	(43,032)	(26,875)	15,120	(54,787)
Payable 11-15 years	(54,787)	(26,439)	10,290	(70,936)
Payable 16-20 years	(70,936)	(9,696)	5,460	(75,172)
Payable 21-25 years	(75,172)	17,245	631	(57,296)
Payable 26-30 years	(57,296)	28,311	(4,199)	(33,184)
Payable 31-35 years	(33,184)	38,768	(9,029)	(3,445)
Payable 36-40 years	(3,445)	26,873	(13,858)	9,570
Payable 41-45 years	9,570	18,096	(18,688)	8,978
Payable 46-48 years	8,978	4,553	(13,531)	0
TOTAL		0	0	

11 Balance Sheet – Usable Reserves

Movements in the Council's usable reserves are detailed in the Movement in Reserves Statement and notes 9 and 10 above.

12 Balance Sheet – Unusable Reserves

31 March 2024 £000		31 March 2025 £000
(822,620)	Revaluation Reserve	(757,465)
296	Financial Instruments Revaluation Reserve	299
(215,219)	Capital Adjustment Account	(207,420)
11,444	Financial Instruments Adjustment Account	11,129
32,221	Pensions Reserve	28,391
13,446	Employee Statutory Adjustment Account	12,783
(980,432)	Total Unusable Reserves	(912,283)

Revaluation Reserve

The Revaluation Reserve contains the gains made by the Council arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- re-valued downwards or impaired and the gains are lost
- used in the provision of services and the gains are consumed through depreciation, or
- disposed of and the gains are realised

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

2023/2024 £000		2024/2025 £000
(784,139)	Balance at 1 April	(822,620)
(135,719)	Upward revaluation of assets	(59,418)
61,074	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	84,321
(74,645)	Surplus or deficit on revaluation of non-current assets not posted to the Surplus/Deficit on the Provision of Services	24,903
34,616	Difference between fair value depreciation and historical cost depreciation	40,187
1,548	Accumulated gains on assets sold or scrapped	65
(822,620)	Balance at 31 March	(757,465)

Financial Instruments Revaluation Reserve

The Financial Instruments Revaluation Reserve contains the gains made by the Council arising from increases in the value of its investments that have quoted market prices or otherwise do not have fixed or determinable payments. The balance is reduced when investments with accumulated gains are:

- re-valued downwards or impaired and the gains are lost
- disposed of and the gains are realised

2023/2024 £000		2024/2025 £000
416	Balance at 1 April	296
(120)	Upward revaluation of investments	-
-	Downward revaluation of investments not charged to the Surplus/Deficit on the Provision of Services	3
(120)		3
296	Balance at 31 March	299

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and enhancement. The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have

yet to be consumed by the Council. The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains. Note 9 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

2023/2024 £000		2024/2025 £000
(254,858)	Balance at 1 April	(215,219)
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
56,916	Charges for depreciation and impairment of non current assets	61,326
507	Revenue expenditure funded from capital under statute	272
(539)	Amounts of non current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(1,799)
56,884		59,799
(1,548)	Adjusting amounts written out of the Revaluation Reserve	(66)
-	Other adjustments relating to IFRS 16 adoption, donated assets and long term debt write off	(191)
55,336	Net written out amount of the cost of non-current assets consumed in the year	59,542
	Capital financing applied in the year:	
(1,995)	Use of the Capital Fund to finance new capital expenditure	(767)
(32,548)	Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	(26,042)
(701)	Application of grants to capital financing from the Capital Grants Unapplied Account	(13)
43,373	Statutory repayment of debt (PPP) flexibility adjustment	4,255
(22,251)	Statutory provision for the financing of capital investment charged against the General Fund and HRA balances	(27,036)
1,011	Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement and use of capital receipts	-
(2,836)	Capital expenditure charged against the General Fund and HRA balances	(2,140)
(15,947)		(51,743)
250	Movements in the market value of Investment Properties and Assets Held for Sale debited or credited to the Comprehensive Income and Expenditure Statement	-
(215,219)	Balance at 31 March	(207,420)

Financial Instruments Adjustment Account

The Financial Instruments Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefiting from gains per statutory provisions. The Council uses the Account to manage premiums paid on the early redemption of loans. Premiums are debited to the Comprehensive Income and Expenditure Statement when they are incurred, but reversed out of the General Fund Balance to the Account in the Movement in Reserves Statement. Over time, the expense is posted back to the General Fund Balance in accordance with statutory arrangements for spreading the burden on Council Tax. In the Council's case, this period is the unexpired term that was outstanding on the loans when they were redeemed.

2023/2024 £000		2024/2025 £000
12,243	Balance at 1 April	11,444

(783)	Proportion of premiums incurred in previous financial years to be charged against the General Fund Balance in accordance with statutory requirements	(305)
(16)	Difference in interest on stepped rate loans (existing 31 March 2007)	(10)
(799)	Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	(315)
11,444	Balance at 31 March	11,129

The balance on the Financial Instruments Adjustment Account relates to:

31 March 2024 £000		31 March 2025 £000
10,469	Premiums and discounts associated with the refinancing of loans	10,163
975	Borrowing where the loan is a stepped interest rate loan	966
-	Loans to third parties granted at less than market interest rates	-
11,444		11,129

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Council makes employer's contributions to pensions funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2023/2024 £000		2024/2025 £000
31,203	Balance at 1 April	32,221
2,478	Actuarial (gains) or losses on pensions assets and liabilities	(5,368)
128	Difference between actuarial pensions contribution figure and actual pensions contribution figure	77
26,818	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	28,771
(28,406)	Employer's pensions contributions and direct payments to pensioners payable in the year	(27,310)
32,221	Balance at 31 March	28,391

Employee Statutory Adjustment Account

The Employee Statutory Adjustment Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year. Statutory

arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

2023/2024 £000		2024/2025 £000
12,771	Balance at 1 April	13,446
(12,771)	Settlement or cancellation of accrual made at the end of the preceding year	(13,446)
13,446	Amounts accrued at the end of the current year	12,783
675	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(663)
13,446	Balance at 31 March	12,783

The above balance relates entirely to untaken holidays.

13 Cash Flow Statement – Operating Activities

The cash flows for operating activities include the following items:

2023/2024 £000		2024/2025 £000
(1,521)	Interest received	(1,358)
34,063	Interest paid	39,019
(138)	Dividends received	(182)

14 Cash Flow Statement – Investing Activities

2023/2024 £000		2024/2025 £000
83,534	Purchase of property, plant and equipment, investment property and intangible assets	119,686
2,628	Other payments for investing activities	3,094
(2,356)	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(3,323)
(1,681)	Other receipts from investing activities	(1,831)
82,125	Net cash flows from investing activities	117,626

15 Cash Flow Statement – Financing Activities

2023/2024 £000		2024/2025 £000
(10,000)	Cash receipts of short and long-term borrowing	(123,775)
-	Other Receipts from Financing Activities - Financing Arrangement	-
4,992	Cash payments for the reduction of the outstanding liabilities relating to finance leases and on-balance sheet PFI contracts	8,068
(55,859)	Repayments of short- and long-term borrowing	11,318
(60,867)	Net cash flows from financing activities	(104,389)

Reconciliation of Liabilities Arising from Financing Activities

	1 April 2024 £000	Financing Cash Flows £000	Non-cash Acquisition £000	Changes Other £000	31 March 2025 £000
Long-term Borrowings	(494,522)	(23,682)	-	-	(518,204)
Short-term Borrowings	(95,097)	(88,775)	-	-	(183,872)
Financing Arrangement Liabilities	(22,154)	376	-	-	(21,778)
Right of Use assets	-	614	(2,386)	-	(1,772)
On Balance Sheet PFI Liabilities	(136,949)	7,078	-	(74,158)	(204,029)
Total Liabilities from Financing	(748,722)	(104,389)	(2,386)	(74,158)	(929,655)

16 Cash Flow Statement – Cash and Cash Equivalents

The balance of Cash and Cash Equivalents is made up of the following elements:

31 March 2024 £000		31 March 2025 £000
249	Cash held by the Council	254
(13,958)	Bank current accounts	(11,455)
15,335	Short-term deposits with banks and building societies	4,844
1,626	Total cash and cash equivalents	(6,357)

17 Agency Services

Within certain of the Council's services work is undertaken on behalf of other local authorities and other government bodies.:

	2023/2024 (Income) £000	2023/2024 Expenditure £000	2024/2025 (Income) £000	2024/2025 Expenditure £000
<u>The main items of income and related expenditure which are included in the Comprehensive Income and Expenditure Accounts are:</u>				
Special Education services to Various Local Authorities	(1,309)	1,309	(1,274)	1,274
Scottish Water Income	(627)	-	(650)	-
Improvement Service - Implementation of National Entitlement Card	(1,572)	1,572	(1,667)	1,667
Storm Babet Flood Recovery Grant	(221)	175	-	-
<u>The main items of income and related expenditure which are not included in the Comprehensive Income and Expenditure Accounts are:</u>				
Tay Cities Region Deal	(42,473)	42,473	(14,048)	14,048
	(46,202)	45,529	(17,639)	16,989

18 External Audit Costs

The Council has incurred the following costs in relation to the audit of the Annual Accounts, certification of grant claims and statutory inspections and to other non-audit services provided by the Council's external auditors:

	2023/2024 £000	2024/2025 £000
Fees payable to Audit Scotland with regard to external audit services carried out by the appointed auditor for the year	444	456
Total	444	456

19 Pensions Schemes Accounted for as Defined Contribution Schemes

Teachers employed by the Council are members of the Teachers' Pension Scheme, administered by The Scottish Government. The Scheme provides teachers with specified benefits upon their retirement, and the

Council contributes towards the costs by making contributions based on a percentage of members' pensionable salaries.

The Scheme is technically a defined benefit scheme. However, the Scheme is unfunded and The Scottish Government uses a notional fund as the basis for calculating the employers' contribution rate paid by Councils. The Council is not able to identify its share of the underlying financial position and performance of the Scheme with sufficient reliability for accounting purposes. For the purposes of this Statement of Accounts, it is therefore accounted for on the same basis as a defined contribution scheme.

In 2024/25, the Council paid £27.1m to Teachers' Pensions in respect of teachers' retirement benefits, representing 34.9% of pensionable pay. The figures for 2023/24 were £24.2m and 31.8%. There were no contributions remaining payable at the year-end. The Council is responsible for the costs of any additional benefits awarded upon early retirement outside of the terms of the teachers' scheme. These costs are accounted for on a defined benefit basis and included in note 20.

The total contributions expected to be made to the Scottish Public Pensions Agency by the Council in the year to 31 March 2026 are £27.4m.

20 Defined Benefit Pension Schemes

The Tayside Pension Fund is administered by Dundee City Council within the Local Government Pension Scheme regulations.

Tayside Pension Fund is maintained for the benefit of its membership (including existing and deferred pensioners). This comprises the majority of Local Government employees within Dundee City Council, Perth and Kinross Council and Angus Council as well as 39 other bodies. Teachers are not included in the Scheme as they have a separate, nationally established, statutory arrangement.

The Local Government Pension Scheme is voluntary and is open to all employees of the Scheduled and Admitted Bodies. A list of Tayside Pension Fund's scheduled and admitted bodies is shown below.

The employers with active members as at 31 March 2025 were as follows –

Scheduled Bodies (11)

Angus Council	Scottish Police Authority (Civilians)
Dundee City Council	TACTRAN
Dundee and Angus College	Tayplan
Perth & Kinross Council	Tay Road Bridge Joint Board
Perth College	Tayside Contracts
	Tayside Valuation Joint Board

Admitted Bodies (28)

Abertay Housing Association	Leisure and Culture Dundee
Angus Alive	Live Active Ltd
Care Inspectorate	Mitie PFI Ltd
Culture Perth & Kinross	Montrose Links Trust
Dorward House	Montrose Port Authority
Duncan of Jordanstone College of Art	Perth & Kinross Countryside Trust
Dundee Citizens' Advice Bureau	Perth & Kinross Society for the Blind
Dundee Contemporary Arts Ltd	Perth Citizens' Advice Bureau
Dundee Science Centre	Perth Theatre Co Ltd
Dundee Voluntary Action	Robertsons Facilities Management
Forfar Day Care Committee	Rossie Secure Accommodation Services
Highlands & Islands Airports Ltd	Scottish Social Services Council
idverde	Sodexo
	University of Abertay, Dundee
	Xplore Dundee

Scheduled Bodies are those detailed in Schedule 2 Part 1 of the Regulations, with the most current being in the Local Government Pension Scheme (Scotland) Regulations 2014. For example, the bodies are Local Authorities, Colleges, Transport Authorities.

Admitted Bodies are those described in Schedule 2 Part 2 of the same Regulations and detail the type of bodies along with the requirements to be considered prior to admission (and the signing of the formal admission agreement).

Under the Local Government Pension Scheme (Administration) (Scotland) Regulations, there is a requirement for the Council to publish a pension fund annual report. The report covers, among other things, scheme governance, financial statements, governance compliance, membership statistics and information on investment and market valuations. The Audited Annual Report will be available on the [Pension Fund website](#).

Participation in pension schemes

As part of the terms and conditions of employment of its officers, the Council makes contributions towards the cost of post employment benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make payments and this needs to be disclosed at the time that employees earn their future entitlement.

The Council participates in the Local Government Pension Scheme (Tayside Pension Fund) - this is a funded defined benefit statutory scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities with investment assets. The scheme currently provides benefits based on career average revalued salary and length of service on retirement.

The Council also has liabilities for any discretionary pension payments outside the main scheme. These benefits are an unfunded defined benefit arrangement and liabilities are recognised when awards are made. There is no investment assets built up to meet the pensions liabilities for discretionary awards, and cash has to be generated to meet actual pensions payments as they eventually fall due.

The principal risks to the authority of the scheme are the life expectancy assumptions, statutory changes to the scheme, structural changes (i.e. large-scale withdrawals of members from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund and Housing Revenue Account the amounts required by statute as described in the accounting policies section (please refer to Note 1 item F for further details).

Transactions relating to post employment benefits

The Council recognises the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge required to be made against Council Tax is based on the cash payable in the year, so the real cost of post employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

Comprehensive Income and Expenditure Statement	Local Government Pension Scheme and Discretionary Benefits Arrangements	
	2023/2024 £000	2024/2025 £000
<i>Cost of Services:</i>		
<i>Service cost comprising:</i>		
• current service cost	28,167	28,877
• past service costs	-	-
• (Gains)/Losses on settlements and curtailments	150	395
<i>Financing and Investment Income and Expenditure</i>		
• net interest on the defined liability	(1,955)	(1,046)
• administration expenses	456	545
<i>Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services</i>	26,818	28,771
<i>Other Post Employment Benefit Charged to the CIES</i>		
<i>Remeasurement gains or (losses) against net defined benefit liability comprising:</i>		
• Return on plan assets (excluding the amount included in the net interest expense)	(136,993)	30,867
• Other actuarial gains / (losses) on assets: impact of asset ceiling	77,381	145,308
• Changes in demographic assumptions	(22,977)	(3,664)

• Changes in financial assumptions	(8,135)	(175,083)
• Experience loss / (gain) on defined benefit obligation	93,202	(2,796)
• Difference between actuarial pensions contribution figure and actual pensions contribution figure	128	77
Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement	29,424	23,480

Movement in Reserves Statement

• reversal of net charges made to the Surplus or Deficit for the Provision of Services for post employment benefits in accordance with the Code	(26,818)	(28,771)
<i>Actual amount charged against the General Fund Balance for pensions in the year:</i>		
• employers' contributions payable to scheme	28,406	27,310

Pension Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Council's obligation in respect of its defined benefit plan is as follows:

	Year to 31 March 2024 £000	Year to 31 March 2025 £000
Present value of defined benefit obligation	(1,283,527)	(1,143,235)
Fair value of plan assets	1,765,033	1,794,264
Sub total	481,506	651,029
IFRIC14 adjustment: effect of asset ceiling	(481,506)	(651,029)
Discretionary benefits arrangements	(32,221)	(28,391)
Net asset/(liability) arising from defined benefit obligation	(32,221)	(28,391)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation (scheme liabilities):

	Year to 31 March 2024 £000	Year to 31 March 2025 £000
Opening defined benefit obligation	1,213,478	1,315,748
Current service cost	28,167	28,877
Interest cost	58,115	62,811
Contributions by scheme participants	10,040	9,638
Remeasurement (gains) and losses:		
• Changes in financial assumptions	(8,135)	(175,083)
• Changes in demographic assumptions	(22,977)	(3,664)
• Experience loss / (gain) on defined benefit obligation	93,202	(2,796)
Curtailments	150	395
Benefits paid	(53,557)	(61,463)
Past service costs	-	-
Unfunded pension payments	(2,735)	(2,837)
Closing defined benefit obligation	1,315,748	1,171,626

The Closing defined benefit obligation includes liabilities relating to discretionary benefits arrangements of £28.391m (31 March 2024: £32.221m).

Reconciliation of the opening and closing balances of the fair value of the scheme (plan) assets

	Year to 31 March 2024 £000	Year to 31 March 2025 £000
Opening fair value of fund assets	1,573,600	1,765,033

Interest	80,108	88,072
Remeasurement gains and (losses):		
• Return on plan assets, excluding the amount included in the net interest expense	136,993	(30,867)
• Other actuarial gains / (losses)	(7,238)	-
Employer contributions	28,278	27,233
Administration Expenses	(456)	(545)
Contributions by scheme participants	10,040	9,638
Benefits paid	(56,292)	(64,300)
Closing fair value of fund assets	1,765,033	1,794,264
Effect of asset ceiling	(481,506)	(651,029)
Adjusted closing fair value of fund assets	1,283,527	1,143,235

IFRIC14 adjustment: effect of asset ceiling

	Year to 31 March 2024 £000	Year to 31 March 2025 £000
Opening balance at 1 April	391,325	481,506
Effect of asset ceiling	90,181	169,523
Closing balance at 31 March	481,506	651,029

IAS19 limits the measurement of a net defined benefit asset to the lower of the surplus in the defined benefit plan and the asset ceiling. The asset ceiling is defined as the present value of any economic benefits available in the form of reductions in future contributions to the plan. As there is no unconditional right to a refund, the actuaries have calculated whether there are economic benefits in the form of reductions in future contributions, in accordance with IFRIC14. The economic benefits were calculated as £651.029m. Therefore, an adjustment to the defined benefit plan asset has been required in accordance with IAS19 and IFRIC14.

Local Government Pension Scheme Assets

The scheme assets disclosed above consist of the following categories, by proportion of the total assets held:

	31 March 2024 £000	%	31 March 2025 £000	%
Equities				
Consumer	145,917	8	136,193	7
Manufacturing	145,917	8	120,065	7
Energy and Utilities	36,919	2	39,424	2
Financial Institutions	147,675	8	141,569	8
Health and Care	96,692	6	87,809	5
Information Technology	131,853	8	177,409	10
Investment Funds Unit Trusts	476,429	27	482,050	27
Others	91,418	5	7,168	-
	1,272,820	72	1,191,687	66
Gilts				
Government Bonds	111,366	6	114,442	6
	111,366	6	114,442	6
Other Bonds				
Corporate Bonds (Investment Grade)	75,552	4	47,051	3
Investment Funds Unit Trusts	31,627	2	65,871	4
Others	8,785	1	5,228	1
	115,964	7	118,150	8
Property				

UK Property	151,240	9	272,254	15
Overseas Property	5,215	-	-	-
	156,455	9	272,254	15
Cash				
Cash and Cash Equivalents	108,428	6	97,731	5
Foreign Exchange	-	-	-	-
	108,428	6	97,731	5
Total	1,765,033	100	1,794,264	100

The following table provides analysis of each category of the above assets that have a quoted market price in an active market and those that do not.

	31 March 2024			31 March 2025		
	Quoted %	Unquoted %	Total %	Quoted %	Unquoted %	Total %
Equities	43	29	72	39	27	66
Gilts	6	-	6	6	-	6
Other Bonds	7	-	7	8	-	8
Property	9	-	9	15	-	15
Cash etc	6	-	6	5	-	5
Total	71	29	100	73	27	100

Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about life expectancy rates, salary levels etc. Both the Local Government Pension Scheme and Discretionary Benefits liabilities have been assessed by Barnett Waddingham, an independent firm of actuaries, estimates for the Tayside Pension Fund being based on the latest full valuation of the scheme as at 31 March 2023, rolled forward for various financial assumptions that comply with IAS 19. The significant assumptions used by the actuary for the purposes of IAS 19 calculations are as follows:

	31 March 2024	31 March 2025
Life expectancy (years) from age 65 for current pensioners i.e. those retiring today:		
Men	18.9	18.8
Women	21.6	21.7
Life expectancy (years) from age 65 for future pensioners i.e. those retiring in 20 years time:		
Men	20.2	20.2
Women	23.1	23.2
Rate of inflation (RPI)	3.3%	3.2%
Rate of increase in salaries	3.9%	3.9%
Rate of increase in pensions	2.9%	2.9%
Rate for discounting scheme liabilities	4.85%	5.80%
Take-up of option to convert annual pension into retirement lump sum	50%	50%

Sensitivity Analysis

The estimation of the defined benefit obligation is sensitive to the actuarial assumptions set out above. The following sensitivity analyses have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all other assumptions remain constant. The following changes to these assumptions would result in movements in the projected service cost as follows:

	Increase in Assumption £000	Decrease in Assumption £000
Life expectancy (increase or decrease by 1 year)	799	(780)
Rate of increase in salaries (increase or decrease by 0.1%)	-	-
Rate of increase in pensions (increase or decrease by 0.1%)	753	(731)
Rate for discounting scheme liabilities (increase or decrease by 0.1%)	(700)	721

Impact on Future Cash Flows

The objectives of the scheme are to keep employers’ contributions at as constant a rate as possible. Contributions are set every 3 years as a result of the actuarial valuation of the Fund required by the regulations. The next actuarial valuation of the Fund will be carried out as at 31 March 2024 and will set contributions for the period from 1 April 2025 and 31 March 2028. There are no minimum funding requirements in the Local Government Pension Scheme but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

The total contributions expected to be made to the Local Government Pension Scheme by the Council in the year to 31 March 2026 are £24.201m. The actuarial assumption for the duration of past service liabilities is 14 years (2023/24: 16 years).

Expected contributions for the Discretionary Benefit Scheme in the year to 31 March 2026 are £3.241m.

Liability to Tayside Pension Fund for Other Entities Obligations

Dundee City Council acts as guarantor for the pension fund liabilities of Leisure and Culture Dundee, Dundee Contemporary Arts Limited and Dundee Science Centre, in the event of any of these entities going into liquidation.

21 Events After the Reporting Period

It is considered that there have been no events occurring between 1 April 2025 and 24 September 2025 that would require adjustments to the 2024/2025 Annual Accounts (i.e. no adjusting events). The latter date is the date on which the audited accounts were authorised for issue.

22 Related Parties

The Council is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council.

Central Government

Central government has effective control over the general operations of the Council. It is responsible for providing the statutory framework, within which the Council operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. council tax bills, housing benefits). Grants received from government departments are set out in the subjective analysis in the Expenditure and Funding Analysis on amounts reported to decision makers. Details of central government grants transactions are shown in note 36.

Members

Members of the Council have direct control over the Council's financial and operating policies. The total of members' allowances paid and further details of senior members' remuneration are included in the Remuneration Report. Under the Councillors' Code of Conduct, members are required to declare an interest in matters that directly or indirectly may influence, or be thought to influence, their actions as a Councillor. Membership of statutory Joint Boards or Committees, which are composed exclusively of elected members, does not raise any issue of declaration of interest in regard to Council business. In terms of any other relevant parties, those members with declarations of interest did not take part in any discussion or decisions relating to transactions with these parties. A copy of the Register of Members Interest can be obtained from the [Council's website](#).

Officers

Senior Officers have control over the Council's financial and operating policies. The total remuneration paid to senior officers is shown in the Remuneration Report. Officers have the responsibility to adhere to a Code of Conduct, which requires them to declare an interest in matters that directly or indirectly may influence, or be thought to influence their judgement or decisions taken during the course of their work. In terms of any relevant parties, officers with declarations of interest did not take part in any discussion or decisions relating to transactions with these parties.

Pension Fund

The Council is the administering authority for the Tayside Pension Fund. As administrator for the fund the Council is considered to have direct control over the fund, and the fund is therefore deemed to be a related party. The relevant transactions and balances with the fund to be disclosed are as follows:

During 2023/2024		As at 31 March 2024			During 2024/2025		As at 31 March 2025	
Charges To £000	Charges From £000	Amounts Due From £000	Amounts Due To £000		Charges To £000	Charges From £000	Amounts Due From £000	Amounts Due To £000
1,542	-	-	437	Tayside Pension Fund	1,604	-	-	1,906

Employer's contributions paid to the Tayside Pension Fund are in addition to the above and are disclosed in Note 20.

Other Entities Controlled or Significantly Influenced by the Council

The following entities are deemed to be related parties of the Council, mainly through the Council's ability to exert influence over these entities through its representation on their respective boards, the relevant transactions and balances with these bodies are as follows:

During 2023/2024		As at 31 March 2024			During 2024/2025		As at 31 March 2025	
Charges To £000	Charges From £000	Amounts Due From £000	Amounts Due To £000		Charges To £000	Charges From £000	Amounts Due From £000	Amounts Due To £000
48	1	-	-	Ardler Village Trust Comp	59	-	50	-
-	15,369	-	-	Discovery Education PLC	-	16,021	-	-
23	881	140	2	Dovetail Enterprises (1993) Ltd	127	841	29	-
22	1	21	19	Dundee Contemporary Arts Ltd	12	-	-	-
136,782	104,333	-	9,678	Dundee Health & Social Care Integration Joint Board	148,431	112,278	-	1,426
-	469	-	-	Dundee Rep Theatre	-	540	-	-
4	329	-	29	Dundee Science Centre Enterprises Ltd	5	325	-	-
26	2,819	262	2	Hub East Central (Baldragon) Ltd	26	2,851	259	-
542	12,278	684	437	Leisure and Culture Dundee	402	11,797	535	5
16	30	-	-	Michelin Scotland Innovation Parc Limited	15	13	-	-
-	-	-	-	Studio Dundee Joint Venture Company Limited	-	14	-	-
-	-	-	290	Tay Cities Deal Joint Committee	-	-	121	-
246	-	1	347	Tay Road Bridge Joint Board	212	-	102	163
2,970	33,960	14,965	434	Tayside Contracts Joint Committee	2,761	35,966	18,190	1,000
85	902	188	28	Tayside Valuation Joint Board	106	956	192	132
-	351	173	-	V&A Dundee	-	352	-	-

23 Leases

Council as Lessee

Finance Leases and Financing Arrangements

During 2019/2020 the Council entered into a sale and leaseback arrangement which resulted in one asset, an administration building, being acquired under a 40 year financing arrangement. The asset acquired under this financing arrangement continues to be carried as property, plant and equipment in the balance sheet at the following net amounts:

	31 March 2024 £000	31 March 2025 £000
Operational Building	21,623	20,609
Land	670	670
Total	22,293	21,279

The Council is committed to making minimum payments under this financing arrangement comprising settlement of the long-term liability for the interest in the property acquired by the Council and finance costs that will be payable by the Council in future years while the liability remains outstanding. The minimum financing arrangement payments are made up of the following amounts.

	31 March 2024 £000	31 March 2025 £000
Financing Arrangement Liabilities (net present value of minimum financing arrangement payments):		
Current	376	388
Non-Current	1,625	1,675
Finance Costs payable in future years	20,154	19,716
Total Minimum Financing Arrangement Payments	22,155	21,779

The minimum financing arrangement payments will be payable over the following periods:

	Minimum Financing Arrangement Payments		Financing Arrangement Liabilities	
	31 March 2024 £000	31 March 2025 £000	31 March 2024 £000	31 March 2025 £000
Not later than one year	747	753	371	365
Later than one year and not later than five years	3,046	3,069	1,421	1,394
Later than five years	26,133	25,357	5,979	5,641
	29,926	29,179	7,771	7,400

The minimum financing arrangement payments include annual rent increases of 2.75%.

The Council has sub-let some of the administration building held under this financing arrangement. At 31 March 2025 the minimum payments expected to be received under non-cancellable sub-leases was £2.530m (£2.530m at 31 March 2024).

Right of Use Assets

The Council adopted IFRS 16 from 1 April 2024, to recognise right of use assets, which meant that the majority of vehicle leases where the Council acts as lessee came onto the balance sheet. Right-of-use assets and lease liabilities have calculated as if IFRS 16 had always applied but recognised in the year of adoption and not by adjusting prior year figures.

The Consolidated Loans Fund Borrowing rate applicable at lease inception has been applied to calculate lease liabilities. The rates used were:

Year of inception	%

2020/2021	3.54%
2021/2022	3.52%
2022/2023	3.34%
2023/2024	3.47%
2024/2025	3.84%

As a lessee, the Council has previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Council. Under IFRS 16, the Council recognises right-of-use assets and lease liabilities for most leases.

The Council has decided to apply recognition exemptions to short-term leases and has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a term of 12 months or less and leases of low value assets. The Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

	31 March 2024 £000	31 March 2025 £000
Value at 1 April	-	-
Initial recognition on adoption of IFRS 16	-	2,293
Additions in year	-	93
Principal repaid in year	-	(614)
Value at 31 March	-	1,772

	31 March 2024 £000	31 March 2025 £000
Analysed by:		
Other land and buildings	-	323
Vehicles, plant and equipment	-	1,449
Value at 31 March	-	1,772

	31 March 2024 £000	31 March 2025 £000
Finance Lease Liabilities		
Within one year	-	571
Between 2 and 5 years	-	1,009
Over 5 years	-	192
Total liabilities	-	1,772

The amount charged to the Council Comprehensive Income and Expenditure amounted to £83k in 2024/2025, related to interest expense on the lease liabilities.

Other Leases

The Council adopted IFRS 16 from 1 April 2024. Properties and other vehicles, plant and equipment that fall under the scope of IFRS16 have now been reclassified as right of use assets on the balance sheet. The disclosures below relate to low value (below £6k assets) and leases that have less than 12 months to run. The Council has entered into agreements to lease various property, plant and equipment that are accounted for as operating leases. In addition, the Council operates a contract car hire scheme for its employees. The Council makes payments to the lessor for the contract car hire scheme, under a -lease agreement, that are partly offset by contributions from employees participating in the scheme. The future minimum lease payments due under these leases in future years are:

	31 March 2024 £000	31 March 2025 £000
Not later than one year	720	162

Later than one year and not later than five years	1,711	55
Later than five years	333	142
	2,764	359

The total expenditure charged to the Comprehensive Income and Expenditure Statement during the year in relation to other leases for various property, plant and equipment (including the Council's contract car hire scheme) was as follows:

	2023/2024	2024/2025
	£000	£000
Minimum lease payments	901	274
Less Employee Contributions	(66)	(33)
	835	241

Council as Lessor

Finance Leases

In 2017/2018 the Council entered into a twenty-eight year agreement for equipment assets with the company operating the existing waste-to-energy plant. This is in the form of a finance lease. There will be no consideration received by the Council over the period of the agreement and there is a nil balance in the Council's Balance Sheet. There were no further finance leases entered into during 2024/2025.

Operating Leases

The Council has entered into a number of agreements that are managed corporately by the City Development service. These agreements relate to leases of property, plant & equipment under operating leases for the following purposes:

- commercial and industrial properties that are leased out for the policy objectives e.g. economic development purposes to provide suitable affordable accommodation for local businesses
- ground leases for various sites including shopping centres, other commercial developments, telecommunications and advertising sites

The future minimum lease payments receivable under non-cancellable leases in future years are:

	2023/2024	2024/2025
	£000	£000
Not later than one year	7,175	7,467
Later than one year and not later than five years	24,055	23,726
Later than five years	96,848	93,456
	128,078	124,649

24 Investment Properties

The following items of income and expenditure have been accounted for in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement:

	2023/2024	2024/2025
	£000	£000
Rental income from investment property	1,331	1,404
Direct operating expenses arising from investment property	(162)	(262)
Net gain/(loss)	1,169	1,142

There are no restrictions on the Council's ability to realise the value inherent in its investment property or on the Council's right to the remittance of income and the proceeds of disposal. The Council has no contractual obligations to purchase, construct or develop investment property or repairs, maintenance or enhancement.

The following table summarises the movement in the fair value of investment properties over the year:

	2023/2024	2024/2025
	£000	£000
Balance at start of the year	13,073	13,073
Disposals	-	-

Net gains/(losses) from fair value adjustments	-	-
Transfers:		
- (to)/from Property, Plant and Equipment	-	-
Balance at end of the year	13,073	13,073

Gains or losses arising from changes in the fair value of the investment property are recognised in Surplus or Deficit on the Provision of Services - Financing and Investment Income and Expenditure line.

Fair Value Hierarchy

Details of the Council's investment properties and information about the fair value hierarchy as at 31 March 2025 are as follows:

	Quoted prices in active markets for identical assets Level 1 £000	Other significant observable inputs Level 2 £000	Significant unobservable inputs Level 3 £000	Fair Value as at 31 March 2025 £000
Recurring Fair Value measurements using:				
Assets held for Capital Appreciation	-	7,589	-	7,589
Office Units	-	134	-	134
Commercial Units	-	5,350	-	5,350
Total	-	13,073	-	13,073

2024 Comparative Figures:

	Quoted prices in active markets for identical assets Level 1 £000	Other significant observable inputs Level 2 £000	Significant unobservable inputs Level 3 £000	Fair Value as at 31 March 2024 £000
Recurring Fair Value measurements using:				
Assets held for Capital Appreciation	-	7,589	-	7,589
Office Units	-	134	-	134
Commercial Units	-	5,350	-	5,350
Total	-	13,073	-	13,073

Fair Value Hierarchy

Level 1 - Quoted prices in active markets for identical assets

There are no active markets with quoted prices applicable to the Council's Investment Property portfolio.

Level 2 - Significant Observable Inputs

The fair value for the assets held for capital appreciation has been based on the market approach using current market conditions and recent sales prices and other relevant information for similar assets in the Council area. Market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant, leading to the properties being categorised at level 2 in the fair value hierarchy.

Capitalisation of rental values, using comparable market evidence and yields is the method applied to determine if fair value of Commercial / Office properties. Where possible, income streams are capitalised. Where evidence of comparable sales transactions is available the evidence is analysed and applied.

Level 3 - Significant Unobservable Inputs

Fair value can be measured using the income approach, by means of the discounted cash flow method, where the expected cash flows from the properties are discounted (using a market-derived discount rate) to establish the present value of the net income stream. This approach uses assumptions such as the duration and timing rent growth, occupancy levels, bad debts, maintenance costs etc.

None of the Council's Investment Properties are categorised as Level 3.

Transfers between levels of the Fair Value Hierarchy

There were no transfers between hierarchy levels in the year.

Highest and Best Use of Investment Properties

In estimating the fair value of the Council's investment properties, the highest and best use of the properties is their current use.

Valuation Techniques and Process

There has been no change in the valuation techniques used during the year for investment properties. The fair value of the Council's investment property is measured annually at each reporting date. All valuations are carried out internally, in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors.

25 Intangible Assets

The Council accounts for purchased software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment. The useful life assigned to software is 5 years and the carrying amount of intangible assets is amortised on a straight-line basis.

	2023/2024 £000	2024/2025 £000
Opening Gross Book Value	4,924	5,882
Additions	958	824
Closing Gross Book Value	5,882	6,706
Opening Accumulated Amortisation	2,384	3,123
Amortisation Charge for the Year	739	908
Closing Accumulated Amortisation	3,123	4,031
Closing Net Book Value	2,759	2,675

26 Impairment Losses

Impairment losses charged to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement during 2024/2025 totalled £20.364(2023/2024 £18.6m).

Of this total, £20.412m (2023/2024 £18.29m) relates to expenditure in the year which did not add value to assets. £14.724m (2023/2024 £8.619m) relates to expenditure on Council Houses, £2.691m (2023/2024 £3.639m) relates to expenditure on schools and the remaining £2.997m (2023/2024 £6.032m) relates to expenditure on other Council land & buildings.

The remaining (£0.048m) (2023/2024 £0.310m) relates to impairment charged to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as a result of revaluation losses relating to land and buildings.

27 Property, Plant and Equipment
Movements in 2024/2025:

	Council Dwellings £000	Other Land & Buildings £000	Vehicles, Plant & Equipment £000	Infra- structure Assets £000	Right of Use £000	Comm- unity Assets £000	Surplus Assets £000	Assets Under Con- struction £000	Total Property, Plant & Equipment £000	PPP Assets Included in Property, Plant & Equipment £000	DBFM Assets Included in Property, Plant & Equipment £000	SCA Assets Included in Property, Plant & Equipment £000
Cost or Valuation												
At 1 April 2024	507,962	1,060,728	118,620	-	-	6,493	6,539	40,738	1,741,080	156,101	40,991	60,348
Initial Recognition of Asset	-	-	-	-	2,523	-	-	-	2,523	-	-	-
Additions	16,386	83,090	3,724	10,585	93	-	-	81,698	195,576	13	-	68
Revaluation inc/(dec) recognised in the Revaluation Reserve	(472)	(80,177)	-	-	-	-	82	-	(80,567)	(132)	(36)	(68)
Revaluation inc/(dec) recognised in the Surplus / Deficit on the Provision of Services	(15,568)	(6,418)	-	(510)	-	-	-	-	(22,496)	-	-	-
Disposals	-	(62)	(1,438)	-	-	-	-	-	(1,500)	-	-	-
Reclassification within PPE	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2025	508,308	1,057,161	120,906	-	2,616	6,493	6,621	122,436	1,834,616	155,982	40,955	60,348
Accumulated Depreciation and Impairment												
At 1 April 2024	-	(17,512)	(100,627)	-	-	-	-	-	(118,139)	-	-	(1,536)
Depreciation charge	(17,756)	(45,310)	(3,763)	(11,612)	(619)	-	-	-	(79,060)	(7,005)	(1,443)	(1,536)
Depreciation written out to the Revaluation Reserve	17,756	34,556	-	-	-	-	-	-	52,312	6,009	1,443	-
Depreciation written out to the Surplus/Deficit on the Provision of Services	-	4,029	-	-	-	-	-	-	4,029	-	-	-
Disposals	-	-	1,267	-	-	-	-	-	1,267	-	-	-
At 31 March 2025	-	(24,237)	(103,123)	-	(619)	-	-	-	(127,979)	(996)	-	(3,072)
Net Book Value:												
At 31 March 2025	508,308	1,032,924	17,783	216,624	1,997	6,493	6,621	122,436	1,913,186	154,986	40,955	57,276
At 31 March 2024	507,962	1,043,216	17,993	218,161	-	6,493	6,539	40,738	1,841,102	156,101	40,991	58,812

Comparative Movements in 2023/2024:

	Council Dwellings £000	Other Land & Buildings £000	Vehicles, Plant & Equipment £000	Infra- structure Assets £000	Comm- unity Assets £000	Surplus Assets £000	Assets Under Con- struction £000	Total Property, Plant & Equipment £000	PPP Assets Included in Property, Plant & Equipment £000	DBFM Assets Included in Property, Plant & Equipment £000	SCA Assets Included in Property, Plant & Equipment £000
Cost or Valuation											
At 1 April 2023	540,888	983,589	116,556	-	6,493	5,599	22,750	1,675,875	138,191	33,157	60,348
Additions	11,882	10,777	3,038	21,623	-	-	37,352	84,672	120	-	11
Revaluation inc/(dec) recognised in the Revaluation Reserve	(39,391)	62,263	-	-	-	916	-	23,788	17,890	7,835	(11)
Revaluation inc/(dec) recognised in the Surplus / Deficit on the Provision of Services	(15,694)	(4,550)	-	(872)	-	24	-	(21,092)	(100)	-	-
Disposals	-	(438)	(974)	-	-	-	-	(1,412)	-	-	-
Reclassification within PPE	10,277	9,087	-	-	-	-	(19,364)	0	-	-	-
At 31 March 2024	507,962	1,060,728	118,620	-	6,493	6,539	40,738	1,741,080	156,101	40,991	60,348
Accumulated Depreciation and Impairment											
At 1 April 2023	-	(13,428)	(97,360)	-	-	-	-	(110,788)	-	-	-
Depreciation charge	(18,877)	(38,554)	(4,162)	(11,107)	-	-	-	(72,700)	(5,780)	(1,108)	(1,536)
Depreciation written out to the Revaluation Reserve	18,694	32,162	-	-	-	-	-	50,856	5,780	1,108	-
Depreciation written out to the Surplus/Deficit on the Provision of Services	183	2,308	-	-	-	-	-	2,491	-	-	-
Disposals	-	-	895	-	-	-	-	895	-	-	-
At 31 March 2024	0	(17,512)	(100,627)	-	-	-	-	(118,139)	-	-	(1,633)
Net Book Value:											
At 31 March 2024	507,962	1,043,216	17,993	218,161	6,493	6,539	40,738	1,841,102	156,101	40,991	58,812

Right of Use assets

Right of Use assets comprise Other Land & Buildings £0.313m and Vehicles, Plant & Equipment £1.684m as at 31 March 2025.

Depreciation

The following useful lives have been used in the calculation of depreciation:

- Council Houses - 20 - 50 years
- Other Land and Buildings - 10 - 60 years
- Vehicles, Plant, Furniture & Equipment - 3 - 10 years
- Infrastructure - 10 - 30 years

Capital Commitments

At 31 March 2025, the Council has entered into a number of contracts for the construction or enhancement of Property, Plant and Equipment in 2024/2025 and future years budgeted to cost £44m. Similar commitments at 31 March 2024 were £109m. The major commitments are:

- East End Community Campus - £15.2m
- Green Transport Hub & Spokes Pre-construction and Enabling Works - £8.2m
- Vehicle Fleet Purchases - £2.9m
- Site 6 South Development - Offices- £2.7m
- Dryburgh Flat Roofing Replacement Phase 3 - £1.2m
- Schools Connectivity – £1.1m

This gross expenditure of £44m will be funded from a combination of Council Borrowing, Grants and Contributions.

Effects of Changes in Estimates

In 2024/2025, the Council did not make any material changes to its accounting estimates for Property, Plant and Equipment.

Infrastructure Assets

Infrastructure asset values have been disclosed in accordance with the Scottish Government's Finance Circular 9/2022 Statutory Override – Accounting for Infrastructure Assets. The council has applied both statutory overrides set out in the circular which are as follows:

- For accounting periods commencing from 1 April 2021 until 31 March 2025, a local authority is not required to report the gross carrying amount and accumulated depreciation for infrastructure assets.
- For the accounting periods from 1 April 2010 to 31 March 2025, the carrying amount to be derecognised in respect of a replaced part of an infrastructure asset is to be accounted for as a nil amount, and no subsequent adjustment can be made to the carrying amount of the asset with respect to that part.

Revaluations

The Council carries out a rolling programme to ensure that all Property, Plant and Equipment required to be measured at fair value is revalued at least every five years. Financial year 2021/2022 was the first year of the current revaluation programme. The effective date for the 2024/2025 revaluations is 31 March 2025.

All valuations were carried out internally by valuers in City Development Service. Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors. Valuations of vehicles, plant, furniture and equipment are based on current prices where there is an active second-hand market or latest list prices adjusted for the condition of the asset. To provide additional assurance on the carrying value of assets not included in the current year of the revaluation cycle, a value indexation exercise was completed on DRC valued assets, to assess the impact of inflation on DRC based asset valuations.

The table below shows the changes in asset values for each category revalued over the last financial year:

	Council Dwellings £000	Other Land & Buildings £000	Vehicles, Plant & Equipment £000	Surplus Assets £000	Total £000
Carried at historical cost	-	-	210	-	210
Valued at fair value as at:					
31 March 2025	(473)	31,642		82	31,251
31 March 2024	(34,778)	105,155		939	71,316
31 March 2023	75,210	11,888	-	340	87,438
31 March 2022	-	11,888	-	340	12,228
31 March 2021	-	(5,146)	-	205	(4,941)
Total Cost or Valuation	39,959	155,427	210	1,906	197,502

28 Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases, PFI/PPP contracts, DBFM contracts and Service Concession Arrangements), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Council, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Council that has yet to be financed. The CFR is analysed in the second part of this note.

	2023/2024 £000	2024/2025 £000
Opening Capital Financing Requirement	779,043	846,362
Capital investment		
Property, Plant and Equipment	84,165	121,146
Intangible Assets	958	824
Revenue Expenditure Funded from Capital under Statute	506	272
Sources of finance:		
Capital receipts	(1,345)	(2,076)
Government grants and other contributions	(32,555)	(26,042)
Transfer from Capital Fund & Grants Unapplied Account	(2,696)	(780)
Increase in debt on adoption of IFRS 16 (see note below)	-	76,450
Application of PFI retrospective flexibility	39,773	-
Application of PFI in-year flexibility	3,600	4,255
Sums set aside from revenue:		
• Direct revenue contributions	(2,836)	(2,140)
• Loans fund principal	(22,251)	(27,036)
Closing Capital Financing Requirement	846,362	991,235
Explanation of movements in year		
Increase / (Decrease) in underlying need to borrowing (unsupported by government financial assistance)	28,944	72,142
Increase/ (Decrease) in PFI debt repayment flexibility	43,373	4,255
Increase/ (Decrease) in PFI/PPP obligation	(2,582)	61,035
Increase/ (Decrease) in DBFM obligation	(947)	3,870
Increase/ (Decrease) in Service Concession Arrangement	(1,099)	2,175
Increase/ (Decrease) in Financing Arrangement	(364)	(376)
Increase/ (Decrease) in Right of Use liability	-	1,772

Increase/(decrease) in Capital Financing Requirement	67,325	144,873

Note: The Council adopted IFRS 16 from 1 April 2024 which:

- gave rise to the recognition of “Right of Use” assets for certain items that used to be disclosed as operating leases (leased vehicles mainly). The corresponding liabilities arising were calculated on 1 April 2024 as if IFRS 16 had always applied but recognised in the year of adoption and not by adjusting prior year figures. The effect of this can be seen in Note 23.
- also applied to service concession arrangements i.e. Public Private Partnerships (PPP) and similar schemes. Service concession liabilities were recalculated on 1 April 2024 as if IFRS 16 had always applied but recognised in the year of adoption and not by adjusting prior year figures. The effect of this can be seen in Note 29 i-iii.

29 Private Finance Initiatives and Similar Contracts

i) Education Services PFI Scheme

2024/25 was the 17th year of a 30 year PFI contract with Discovery Education PLC to construct, maintain and facilities-manage six new primary schools and two new secondary schools in the city. The Authority has rights under the contract to specify the services provided with the priority being the provision of an Education Service during the school day, followed by Community use. The contract specifies minimum standards for the services to be provided by the contractor, with deductions from the fee payable being made if facilities are unavailable or performance is below minimum standards. The contractor took on the obligation to construct the schools and maintain them in a minimum acceptable condition and provide a facilities management service. At the end of the contract the schools will be transferred back to the Local Authority for nil consideration.

Property Plant and Equipment

The schools have been recognised on the Authority's Balance Sheet as tangible fixed assets. Movements in their value over the year are detailed in the analysis of the movement on the property, plant and equipment balance in note 27.

Payments

The Authority makes an agreed payment each year which is increased each year by inflation and will be reduced if the contractor fails to meet availability and performance standards in any year but which is otherwise fixed. Payments remaining to be made under the PFI contract at 31 March 2025 (excluding any estimation of inflation and availability/performance deductions are as follows:

	Payment for Services £000	Repayment of Liability £000	Interest £000	Lifecycle Maintenance £000	Total £000
Payable in 2025/26	4,602	5,520	5,526	1,365	17,013
Payable within 2-5 years	19,588	26,041	19,287	7,497	72,413
Payable within 6 - 10 years	27,369	44,589	16,495	12,724	101,177
Payable within 11 - 15 years	18,350	41,542	4,109	3,845	67,846
TOTAL	69,909	117,692	45,417	25,431	258,449

Although the payments made to the contractor are described as unitary payments, they have been calculated to compensate the contractor for the fair value of the services they provide, the capital expenditure incurred and interest payable whilst the capital expenditure remains to be reimbursed.

The Council adopted IFRS 16 from 1 April 2024 which also applied to service concession arrangements i.e. Public Private Partnerships (PPP) and similar schemes. Service concession liabilities were recalculated on 1 April 2024 as if IFRS 16 had always applied but recognised in the year of adoption and not by adjusting prior year figures.

The liability outstanding to pay the liability to the contractor for capital expenditure incurred is as follows:

	2023/2024 £000	2024/2025 £000
Balance at the start of the year	59,240	56,657
Debt remeasurement on adoption of IFRS 16	-	65,988
Payments during the year	(2,583)	(4,953)
Balance at year-end	56,657	117,692

ii) Baldragon DBFM Project

2024/25 was the 8th year of a 25 year DBFM contract with Hub East Central (Baldragon) Ltd to design, construct, maintain and facilities-manage a new secondary school in the city. Dundee City Council took occupation of the new school on 11th December 2018. The Authority has rights under the contract to specify the services provided with the priority being the provision of an Education Service during the school day, followed by Community use. The contract specifies minimum standards for the services to be provided by the contractor, with deductions from the fee payable being made if facilities are unavailable or performance is below minimum standards. The contractor took on the obligation to construct the schools and maintain them in a minimum acceptable condition and provide a facilities management service. At the end of the contract the schools will be transferred back to the Local Authority for nil consideration.

Property, Plant and Equipment

The school has been recognised on the Authority's Balance Sheet as tangible fixed assets. Movements in their value over the year are detailed in the analysis of the movement on the property, plant and equipment balance in note 27.

Payments

The Authority makes an agreed payment each year which is increased each year by inflation and will be reduced if the contractor fails to meet availability and performance standards in any year but which is otherwise fixed. Payments remaining to be made under the DBFM contract at 31 March 2025 (excluding any estimation of inflation and availability/performance deductions are as follows:

	Payment for Services £000	Repayment of Liability £000	Interest £000	Lifecycle Maintenance £000	Total £000
Payable in 2025/26	321	975	1,306	245	2,847
Payable within 2-5 years	1,365	4,334	4,736	1,156	11,591
Payable within 6 - 10 years	1,908	6,643	4,627	1,802	14,980
Payable within 11 - 15 years	2,159	8,198	2,883	2,353	15,593
Payable within 16 - 20 years	1,282	6,843	704	856	9,685
TOTAL	7,035	26,993	14,256	6,412	54,696

Although the payments made to the contractor are described as unitary payments, they have been calculated to compensate the contractor for the fair value of the services they provide, the capital expenditure incurred and interest payable whilst the capital expenditure remains to be reimbursed.

The Council adopted IFRS 16 from 1 April 2024 which also applied to service concession arrangements i.e. Public Private Partnerships (PPP) and similar schemes. Service concession liabilities were recalculated on 1 April 2024 as if IFRS 16 had always applied but recognised in the year of adoption and not by adjusting prior year figures.

The liability outstanding to pay the liability to the contractor for capital expenditure incurred is as follows:

	2023/2024 £000	2024/2025 £000
Balance at the start of the year	24,070	23,123
Debt remeasurement on adoption of IFRS 16	-	4,818
Payments during the year	(947)	(948)
Balance at year-end	23,123	26,993

iii) Waste Disposal Project

In November 2017, the Council entered into a 28 year contract with MVV Environment Baldovie Limited (MEB) for the disposal of residual waste. As part of the new contract arrangements, the Council sold its shareholding in DERL to MVV Environment Limited (MVV). The DERL plant ("Lines 1&2") is being utilised by MEB to deliver contractual requirements alongside the new plant ("Line 3") that was constructed on an adjacent site. Following investment by MVV, Lines 1&2 has been operating reliably and the decision was therefore taken to extend its operational life by 7 years, formalised in a Life Extension Agreement between MEB and the Council. Full services from Line 3 commenced on 20 January 2022, which is the starting point of the 25 year Line 3 contract. At the end of the contract the plant will be transferred to the Council for nil consideration. The contract sets out the services that the Council require the contractor to deliver and specifies minimum standards for these services, with deductions from the fee payable being made if services are unavailable or performance is below minimum standards.

Property Plant and Equipment

The new plant is deemed to be a service concession asset and the Council's 60% share has been recognised on the Balance Sheet as an operational asset. The Council's assets at the DERL site (Lines 1&2) and land for the new plant (Line 3) are being made available to MEB via leases.

Payments

The Contractor is paid a unitary charge comprising a contractually agreed gate fee for each tonne of waste treated (subject to a guaranteed minimum tonnage) and some ancillary pass-through costs. The gate fee is subsidised by a guaranteed level of commercial income. This net gate fee is fixed for the contract life, subject to annual inflationary increases at 50% of RPIX and any service availability / performance deductions. There is also an excess revenue sharing mechanism in place, with the Council benefitting if the Contractor outperforms the assumptions in its business case for third party revenues. Payments remaining to be made under the contract at 31 March 2025 (excluding any estimation of service availability deductions, performance deductions and excess revenue sharing) are as follows:

	Payment for Services £000	Repayment of Liability £000	Interest £000	Lifecycle Maintenance £000	Total £000
Payable in 2025/26	4,707	1,301	4,718	-	10,726
Payable within 2-5 years	18,733	6,251	17,781	323	43,088
Payable within 6 - 10 years	24,034	9,255	19,372	1,969	54,630
Payable within 11 - 15 years	23,888	15,039	14,425	1,960	55,312
Payable within 16 - 20 years	23,965	23,615	7,498	473	55,551
Payable within 21 - 25 Years	3,477	3,883	309	-	7,669
TOTAL	98,804	59,344	64,103	4,725	226,976

Although the payments made to the contractor are described as unitary payments, they have been calculated to compensate the contractor for the fair value of the services they provide, the capital expenditure incurred and interest payable whilst the capital expenditure remains to be reimbursed.

The Council adopted IFRS 16 from 1 April 2024 which also applied to service concession arrangements i.e. Public Private Partnerships (PPP) and similar schemes. Service concession liabilities were recalculated on 1 April 2024 as if IFRS 16 had always applied but recognised in the year of adoption and not by adjusting prior year figures.

The liability outstanding to pay the liability to the contractor for capital expenditure incurred is as follows:

	2023/2024 £000	2024/2025 £000
Balance at the start of the year	58,268	57,169
Debt remeasurement on adoption of IFRS 16	-	3,352
Repayments during the year	(1,099)	(1,177)
Balance at year-end	57,169	59,344

iv) Application of PFI Service Concession Arrangement Flexibilities

In accordance with Accounting Policy R on page 63 and Finance Circular 10/2022, the Council has applied a permitted PFI Service Concession Arrangement (SCA) flexibility in financial year 2023/24 on a retrospective annuity basis to the three SCA's currently in place.

By applying the flexibility, debt repayment savings will be generated until SCA contracts have been repaid, followed by statutory charges over the remaining lives of the assets. Over the full asset lives of the SCA's the total repayment for the debt liability remains the same.

In order to ensure that the SCA flexibility being applied is prudent, sustainable, and affordable over the life of the assets, the Council will manage its effect and utilisation through an earmarked reserve specifically set up for this purpose. The earmarked reserve will be used to capture the benefits and costs arising from the flexibility and to ensure a smoothed profile for planned use at budget-setting. Please refer to Note 10 for more details.

Impact on Reserves and Balance Sheet

The reprofiling of the debt liability repayments increased the Capital Financing Requirement (CFR) by £47.628m as at 31 March 2025 as can be seen in Note 28. After each SCA contract has expired, the amounts on the CFR will reduce to £nil until the end of the revised period. The statutory adjustments up to 31 March 2025 had the following impact on the 2024/25 Balance sheet (Capital Adjustment Account) and Movement in Reserves statement:

	Prior years £000	In-year £000	Total £000
Capital Adjustment Account (note 12)	43,373	4,255	47,628
Movement in Reserves Statement (Note 9)	(43,373)	(4,255)	(47,628)

30 Assets Held for Sale

	2023/2024 £000	2024/2025 £000
Balance at start of year	5,893	4,493
Assets newly classified as held for sale:		
• Property, Plant and Equipment	-	-
Revaluation gains/(losses)	(251)	-
Assets sold	(1,149)	(45)
Balance at year-end	4,493	4,448

31 Short Term Debtors

	31 March 2024 £000	31 March 2025 £000
Central government bodies	19,203	24,171
Other local authorities	7,184	7,938
NHS bodies	1,239	1,399
Public corporations and trading funds	116	165
Other entities and individuals	30,636	33,614
Total	58,378	67,287

32 Short Term Creditors

	31 March 2024 £000	31 March 2025 £000
Central government bodies	25,458	15,469
Other local authorities	12,241	3,539
NHS bodies	296	366
Public corporations and trading funds	1,120	719
Other entities and individuals	59,746	57,282
Total	98,861	77,375

33 Provisions

Self-Insured / Uninsured Losses					
	Dundee City Council £000	ex-TRC/DDC Funds £000	Construction Services £000	Corporate Services £000	Total £000
Balance at 1 April 2024	3,757	349	191	-	4,297
Additional provisions made in year	2,211	-	108	277	2,596
Amounts used in year	(2,234)	(182)	(135)	-	(2,551)
Unused amounts reversed in year	(1,172)	-	-	-	(1,172)
Balance at 31 March 2025	2,562	167	164	277	3,170

Self-Insured/Uninsured Losses

As part of the Council's Risk Management Policy, the Council has a largely self-insurance arrangement which makes provision against potential losses. The provision relates to ongoing insurance claims and legal cases against the Council and represent the Council's share of the insurer's estimate of settlement costs.

Insurance policies are still in place to protect the Council's Liability for any major loss or claim, such as the fire at Braeview Academy. The provision takes into account all known liabilities likely to be incurred by the Council. Whilst there is a pre-determined timeline for claims to be submitted, there is no set pattern for the time claims take to settle, as the factors will vary from claim to claim, which the Council has no control over. As well as operating its own Insurance Fund, the Council is also responsible for running off the ex- Tayside Regional Council and ex- Dundee District Council Fund.

Analysis of claims figures highlights the following features:

Employers Liability: shows a general reduction in claims for the last three financial years. This is through improvements in health and safety and successful defence of older claims which in turn has reduced the level of provision required.

Public Liability / Third Party Claims: value comparisons appear similar, but it is difficult for this class of cover due to large reserves being held pending resolution of claims (normally through court actions) to give a true reflection on losses. It is an area the Council's insurers are taking a robust line on due to the current claims culture, which has resulted in successful defence of individual claims therefore reducing the Council liability.

Property Damage: continuing investment in risk management initiatives has seen the Council's self-insured property costs remain fairly stable.

Motor Insurance: the accident claim figures remain similar from year to year, however over the last three years a number of injuries claims have been submitted which are resulting in reserve and cost figures increasing substantially.

Construction Services

A provision has been made for possible future losses on existing long-term contracts where a sub-contractor has gone into administration during the maintenance defects period and the Council will therefore be liable for the costs of any required remedial works. The provision also includes various amounts relating to other remedial works anticipated.

Corporate Services

A provision has been made for possible future losses on the underwriting of administration and liquidation costs associated with Dovetail Enterprises (1993) Limited. This charitable company, after many years of support from the Council unfortunately entered into administration on 31 March 2025.

Debtor Impairment Allowances

The above items are shown as Provisions in the Council's Long Term Liabilities section of the Council's Balance Sheet. In addition, there are a number of impairment allowances that are netted-off against Short Term Debtors in the Current Assets section of the Council's Balance Sheet. As at 31 March 2025, these are as follows:

- Council Tax - the allowance of £25.795m (31 March 2024: £25.482m) has been calculated using the non-collection rate anticipated when each financial year's Council Tax was set, or a lower figure where the anticipated collection rate has been exceeded.
- Statutory Additions - the impairment allowance of £5.752m (31 March 2024: £5.557m) has been calculated by applying the overall percentage relating to the charge elements (i.e. Non Domestic Rates and Council Tax) to which the Statutory Addition was applied.
- Miscellaneous Invoiced and Other Debt - the impairment allowance of £6.069m (31 March 2024: £6.989m) has been calculated by applying non-collection rates to an aged debt analysis. The percentage increases according to the age of the debt. Higher percentages are also applied to types of debt which have proven difficult to collect.
- Housing Rents - the impairment allowance of £5.214m (31 March 2024: £4.854m) has been calculated by applying various percentages to a value-banded debt analysis. The percentage increases according to the value of the debt.
- Housing Benefit Overpayments - the impairment allowance of £0.840m (31 March 2024: £1.069m) has been calculated by applying an anticipated non-collection rate to the total debt.

Movements in the level of impairment allowance arise from write-offs of debt against the allowance during the course of the financial year, together with a re-assessment of the required level of allowance at the balance sheet date.

34 Contingent Liabilities

Guaranteed Minimum Pension

As a result of the High Court's previous Lloyds ruling on the equalisation of GMPs between genders, a number of pension schemes made adjustments to accounting disclosures to reflect the effect of this ruling on the value of pension liabilities. It is the understanding of Tayside Pension Fund's actuaries that HM Treasury have confirmed that the judgement does not impact on the current method used to achieve equalisation and indexation in public service pension schemes. On 23 March 2021, the Government published the outcome to its Guaranteed Minimum Pension Indexation consultation, concluding that all public service pension schemes, including the LGPS, will be directed to provide full indexation to members with a GMP reaching State Pension Age (SPA) beyond 5 April 2021. This is a permanent extension of the existing 'interim solution' that has applied to members with a GMP reaching SPA on or after 6 April 2016. Tayside Pension Fund's actuaries valuation assumption for GMP is that the Fund will pay limited increases for members that have reached SPA by 6 April 2016, with the Government providing the remainder of the inflationary increase. For members that reach SPA after this date, the actuaries have assumed that the Fund will be required to pay the entire inflationary increase. This assumption is consistent with the consultation outcome and the actuaries do not believe that it is necessary to make any adjustments to the value placed on the liabilities as a result of the above outcome.

The above Contingent Liability was also disclosed at 31 March 2024.

Goodwin Case

Following a case involving the Teachers' Pension scheme, known as the Goodwin case, differences between survivor benefits payable to members with same-sex or opposite-sex survivors have been identified within a number of public sector pension schemes. As a result, the Government have confirmed that a remedy is required in all affected public sector pension schemes, which includes the LGPS. Tayside Pension Fund's actuaries do not yet have an accurate indication of the potential impact this may have on the value of employers' liabilities or the cost of the scheme. Any indication of cost at this stage would only be a rough estimate as in a lot of cases, funds will not have this information or data to hand. It is the actuaries understanding that the Government Actuary's Department (GAD) is undertaking a review to assess the potential impact on public sector pension schemes, which the actuaries expect will be minimal for LGPS funds.

The above Contingent Liability was also disclosed at 31 March 2024.

Equal Pay Claim

In February 2021, the trade unions submitted a collective equal pay claim on behalf of their members under the Equality Act 2010. The Claimants claim is for the full 5 year back-pay period and/or from their date of employment, if such a date is less than 5 years ago. The Claimants are employed in predominantly female jobs groups (and/or groups of which the proportion of female workers is far greater than that in the comparator groups). The claim is currently being evaluated by the Council. At this stage, it is not possible to quantify the Council's financial liability, if any.

The above Contingent Liability was also disclosed at 31 March 2024.

Scottish Child Abuse Enquiry

Redress Scotland was set up following an act passed by the Scottish Parliament in 2021. Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021. Although Redress Scotland works with guidance and funding from the Scottish Government, it is not part of any Government department. Survivors, as an alternative to civil litigation, may choose to apply for redress. Local Authorities, as a Local Government sector, pay financial contributions towards the redress scheme and this has now been agreed as part of the Local Government Settlement and will be applied for the next 10 years.

Civil Litigation claims are still being received by the Council, both as lead authority for the former Tayside Regional Council and Dundee District Council as well as claims solely against Dundee City Council. Any uninsured claims or associated costs in respect of Dundee District Council or Dundee City Council will require to be met by Dundee City Council. The costs of these are unquantifiable at this time but will give rise to a future financial liability.

The above Contingent Liability was also disclosed at 31 March 2024.

Leisure and Culture Dundee

Leisure and Culture Dundee (LACD) has suffered considerable income shortfalls since the start of the Covid-19 pandemic, due to the effects of lockdowns and operating restrictions once facilities have re-opened. It is recognised that, whilst facilities are now fully operational, income levels will take some time to be restored to pre-pandemic levels. To provide certainty, stability and time for Leisure and Culture Dundee to develop a balanced budget from 2024/25 onwards Dundee City Council has confirmed its continuing financial support to cover the deficit position for a period until 31 March 2024. In December 2023, it was further agreed that the Chief Executive be authorised to extend the support to Leisure and Culture Dundee to 30 June 2024 should this be necessary. The Council will also continue to undertake cash flow management support to LACD to allow it to remain in credit at all times, and therefore have sufficient cash to continue to operate, thus allowing it to proceed as a going concern and meet its everyday cash liabilities.

The above Contingent Liability was also disclosed at 31 March 2024.

35 Contingent Assets

There were no Contingent Assets at 31 March 2025 (31 March 2024: nil).

36 Grant Income

The Council credited grants and contributions to the Comprehensive Income and Expenditure Statement in 2023/2024. These included the following grants and contributions:

Credited to Taxation and Non-Specific Grant Income	2023/2024 £000	2024/2025 £000
RSG & Non-Specific Grants	(277,744)	(318,014)
Contribution from NNDR Pool	(73,704)	(73,695)
Capital Grants	(38,257)	(26,042)
Council Tax	(64,124)	(66,343)
Total	(453,829)	(484,094)

Credited to Services:	2023/2024 £000	2024/2025 £000
UK Government: Levelling-Up Fund, Multiply grant	(442)	(356)
Private Sector Housing Grant	(541)	(649)
Scottish Government - Homes Energy Efficiency	-	(582)
Contributions to Dundee Digital from Tay Cities Deal	-	(531)
UK Government: UK Shared Prosperity Fund	(661)	(2,642)
Contribution toward Dundee to London flight	(2,491)	(1,354)
Various: Contributions to BBC Radio 1 Big Weekender	(216)	-
Scottish Government: Smarter Choices Smarter Places	(143)	-
UK and Scottish Governments: Employability	(2,075)	(5,292)
Scottish Government: Growth Accelerator Model	(2,040)	(2,898)
Scottish Government: Flexible Childcare Services Scotland	(509)	-
Various: Contribution to 5G Testbed	(890)	-
Scottish Government: Air Quality Grant	(152)	-
NHS Tayside: Contribution to The Crescent	(230)	(679)

Low Emission Zones Support Fund	-	(230)
Scottish Government: Bus Partnership Fund	(336)	-
TACTRAN / SESTRAN: Active Travel Infrastructure Fund	(689)	(329)
NHS Tayside: Community Equipment	(371)	(371)
NHS Tayside: Alcohol & Drugs Project Team	(2,464)	(1,575)
CORRA Funding	-	(416)
Angus Council: Contribution to Joint Equipment Service	(904)	(976)
NHS Tayside: Delayed Discharge Fund	(236)	(236)
NHS Tayside: Integrated Care Fund	(2,178)	(2,178)
NHS Tayside: Social Care Integration Fund	(10,102)	(10,102)
NHS Tayside: Integration Funding	(2,941)	(12,859)
Macmillan Cancer Care: Local Authority Partnership	(345)	(445)
UK Government, Home Office: Syrian Refugees	(222)	(237)
Various: Ukrainian Refugees	(2,852)	(1,106)
Dundee City Integration Joint Board	-	(884)
Scottish & UK Governments: Opportunities for All Grant	(191)	-
Sports Council Contribution to Sports Co-ordinators	(328)	(332)
UK Government - Unaccompanied Asylum Seekers	-	(1,303)
Arts Council Grants: Youth Music	(275)	-
Scottish Government: Attainment Challenge - Primary	(2,896)	(1,650)
Scottish Government: Attainment Challenge - Secondary	(1,081)	(803)
Scottish Government: Pupil Equity Fund	(6,393)	(4,899)
Scottish Government: Early Learning Childcare (ELC) Delivery Model Grant	(16,111)	-
Scottish Government: Community Mental Health and Wellbeing	(460)	(425)
Scottish Government: Milk and Healthy Snack Scheme	(316)	(280)
Scottish Government: School Aged Childcare Early Adopters project	(275)	(672)
Scottish Government: Tayside Regional Improvement Collaborative (TRIC)	(797)	(396)
Other Local Authorities: Early Years Cross Border payments.	(341)	-
Scottish Futures Trust: Share of Service Cost element for Baldrigon Academy	(315)	(327)
Scottish Government: Care Experienced Children & Young People funding	(311)	(307)
Various Covid 19 Grants	(590)	(515)
UK Home Office: Refugee Social Care costs	(601)	-
Angus Council: Contribution to Out of Hours Service	(212)	(211)
Criminal Justice Grant	(4,847)	(4,929)
Angus and Perth and Kinross Councils: Contribution to Tay Project	(212)	(218)
Improvement Service: National Entitlement Card	(1,623)	(1,666)
Scottish Government: Scottish Cities Alliance	(563)	(477)
DWP: Rent Allowances/Rebate Subsidies (previously Housing Benefit Subsidy)	(46,465)	(44,640)
DWP: Housing Benefit / Council Tax Benefit Administration	(777)	(769)
Scottish Government: Educational Maintenance Allowance	-	(252)
Scottish Government: Child Poverty Pathfinder	(302)	-
Other Miscellaneous Grants	(2,376)	(4,035)
Total	(122,688)	(116,033)

The Council has received a number of grants and contributions that have yet to be recognised as income as they have conditions attached to them that will require the monies or property to be returned to the giver.

The main balances at the year-end are as follows:

Capital Grants Receipts in Advance:	31 March 2024 £000	31 March 2025 £000
Section 75 Contributions	(3,765)	(4,171)
Scottish Government: Children & Families Hub	-	(210)
Scottish Government: Low Carbon Transport - JIVE	(13)	(13)
UK Government: UK Shared Prosperity Fund	(96)	-
Scottish Government: Low Emission Zone	(282)	(204)
Cycling Scotland: Various Grants	-	(12)

UK Govt: Department for Transport: Green Transport (Bell St)	(2,106)	(6,304)
EU: LCTT Waterfront Place Active Travel HUB ERDF Grant	(105)	(105)
SEPA - Dighty Burn Restoration Project	-	(525)
Other Miscellaneous Capital Grants Receipts in Advance	(175)	-
Total	(6,542)	(11,544)

Revenue Grants Receipts in Advance:	31 March 2024 £000	31 March 2025 £000
Improvement Service: National Entitlement Card	(679)	(737)
Northwood Trust: Cost of Living Funding	(150)	-
Scottish Govt/EU: Employability / PESF	(1,056)	-
UK Government: Levelling Up	(647)	-
Scottish Government: Pupil Equity Fund	(700)	(908)
UK Government, Home Office: Refugees	(571)	(459)
Scottish & UK Government: Home Office: Ukrainian Refugees	(3,774)	(3,528)
Scottish Government: Home Energy Efficiency Programmes	(582)	-
Other Miscellaneous Grants	(1,210)	-
Total	(9,369)	(5,632)

37 Financial Instruments

The Council is required to disclose details in respect of financial instruments, which in the main include borrowing, lending, investments, creditors and debtors. The purpose of this disclosure is to provide information regarding:

- the significance of financial instruments for the Council's financial position and performance; and
- the nature and extent of risks arising from financial instruments to which the Council is exposed and how the Council manage those risks

Categories of financial assets and financial liabilities

The following categories of financial instrument are carried in the Balance Sheet:

	Long-term		Current	
	31 March 2024 £000	31 March 2025 £000	31 March 2024 £000	31 March 2025 £000
Investments				
Equity Instruments Designated at Fair Value Through Other Comprehensive Income & Expenditure	-	-	3,252	3,156
Unquoted equity investment at cost	29	29	-	-
Total investments	29	29	3,252	3,156
Debtors				
Loans and receivables:				
Cash and Bank	-	-	249	254
Other Short Term Deposits	-	-	15,336	4,844
Soft Loans	100	-	-	-
Other Loans at Market Rates	10,995	11,942	-	-
Financial assets carried at contract amounts:				
Sundry Debtors including trade receivables	-	-	58,378	67,287
Total Debtors	11,095	11,942	73,963	72,385
Borrowings				
Financial liabilities at amortised cost:				
Borrowing Repayable:				
Public Works Loan Board	(463,528)	(487,220)	(17,083)	(16,271)
Lender Option/Borrower Option	(30,975)	(30,965)	(417)	(411)

Other	(19)	(19)	(75,952)	(165,566)
Temporary Advances from Other Accounts	-	-	(1,645)	(1,624)
Bank Overdraft	-	-	(13,958)	(11,455)
Total borrowings	(494,522)	(518,204)	(109,055)	(195,327)
Creditors				
Financial liabilities carried at contract amount:				
Sundry creditors including trade payables	-	-	(98,861)	(77,375)
Total Creditors	-	-	(98,861)	(77,375)

Income, Expense, Gains and Losses

The gains and losses recognised in the Comprehensive Income and Expenditure Statement and movements in reserves in relation to financial instruments are disclosed below:

2023/2024 £000		Financial Liabilities	2024/2025 Financial Assets	Financial Assets	2024/2025 Total £000
		Liabilities measured at amortised cost £000	Loans and receivables £000	Investments £000	
34,063	Interest Expense	39,019	-	-	39,019
34,063	Total expense in Surplus or Deficit on the Provision of Services	39,019	-	-	39,019
(1,521)	Interest Income	-	(1,358)	-	(1,358)
(1,521)	Total income in Surplus or Deficit on the Provision of Services	-	(1,358)	-	(1,358)
(120)	(Gains) or Losses on revaluation	-	-	2	2
(120)	(Gains) or Losses in Other Comprehensive Income & Expenditure	-	-	2	2
32,422	Net (gain)/loss for the year	39,019	(1,358)	2	37,663

Fair Values of Assets and Liabilities

Financial liabilities, financial assets represented by loans and receivables and long-term debtors and creditors are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments, using the following assumptions:

- estimated ranges of interest rates at 31 March 2025 of 1.26% to 9.13% for loans from PWLB and 4.75% to 5.80% for other loans receivable and payable, based on new lending rates for equivalent loans at that date
- no early repayment or impairment is recognised
- where an instrument will mature in the next 12 months, carrying amount is assumed to approximate to fair value
- the fair value of trade and other receivables is taken to be the invoiced or billed amount.

The fair values are as follows:

		31 March 2024			31 March 2025			
	Note	Carrying Amount £000	Fair Value £000	Principal Amount Outstanding £000	LOBO Accounting Adjustment £000	Add Accrued Interest £000	Carrying Amount £000	Fair Value £000
Financial liabilities:								
Borrowing Repayable:								
Public Works Loan Board Lender Option/Borrower Option (LOBO)								
	i	(480,611)	(387,646)	(498,330)	-	(4,583)	(502,913)	(376,569)
	i	(31,392)	(25,188)	(30,000)	(965)	(411)	(31,376)	(22,001)
	i	(75,952)	(75,952)	(165,566)	-	-	(165,566)	(165,566)
Temporary Advances from Other Accounts								
	ii	(1,665)	(1,665)	(1,624)	-	-	(1,624)	(1,624)
Bank Overdraft								
	iii	(13,958)	(13,958)	-	-	-	(11,455)	(11,455)

i Borrowing Repayable

The fair value for borrowing repayable is greater than the carrying amount because the Council's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the rates available for similar loans at the Balance Sheet date.

Valuation Method - The fair value of these financial instruments have been determined by calculating the Net Present Value (NPV) of future cash flows, which provides an estimate of the value of payments in the future in today's terms. The discount rate used in the NPV calculation is equal to the current rate in relation to the same instruments from a comparable lender. This will be the rate applicable in the market on the date of valuation, for an instrument with the same duration i.e. equal to the outstanding period from valuation date to maturity. The structure and terms of comparable instruments should be the same, although for complex structures it is sometimes difficult to obtain the rate for an instrument with identical features in an active market.

Evaluation of Public Works Loan Board debt - The Council has applied the new borrowing rate, as opposed to the premature repayment rate as the discount factor for all PWLB borrowing. This is because the premature repayment rate includes a margin that represents the lender's profit as a result of rescheduling the loan that is not included in the fair value calculation since any motivation other than securing fair price should be ignored.

Inclusion of accrued interest - The purpose of the fair value disclosure is primarily to provide a comparison with the carrying value in the Balance Sheet. Since this will include accrued interest as at the Balance Sheet date, this has also been accrued in the fair value calculation. This figure is calculated up to and including the valuation date.

Discount rates used in NPV calculation - The rates quoted in this valuation were obtained for the market on 31 March 2025, using bid prices where applicable.

Market Debt - Valuations use the Net Present Value approach, which provides an estimate of the value of payments in the future in today's terms. This is a widely accepted valuation technique commonly used by the private sector. The discount rate used in the NPV calculation should be equal to the current rate in relation to the same instrument from a comparable lender. This will be the rate applicable in the market on the date of valuation, for an instrument with the same duration i.e. equal to the outstanding period from valuation date to maturity. The structure and terms of the comparable instrument should be the same, although for complex structures it is sometimes difficult to obtain the rate for an instrument with identical features in an active market. In such cases, we have used the prevailing rate of a similar instrument with a published market rate, as the discount factor.

ii) Temporary Advances from Other Accounts

These amounts relate to the balances from Charities and Common Good Funds. These include cash balances that are effectively loaned to the Council on a short-term basis and other short-term loans to the Council's

Consolidated Loans Fund. Interest is payable by the Council on all balances outstanding. The current value and fair value of these balances are deemed to be the same amount.

iii) Bank Overdraft

The fair value is the same as the carrying amounts as these balances relate to short term borrowing with the Council's bank.

		31 March 2024		31 March 2025	
	Note	Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value £000
Loans and receivables:					
Cash and Bank	i	249	249	254	254
Other Short term Deposits	i	15,336	15,336	4,844	4,844
Short-term debtors:					
Soft Loans	ii	-	-	-	-
Long-term debtors:					
Other Loans at Market rates	iii	12,765	12,765	11,942	11,942

i. Cash and Bank / Other Short term Deposits

The fair value is the same as the carrying amounts as these balances relate to short term lending or deposits held with the Council's bank.

ii. Soft Loans

The fair value of these loans is the same as the carrying amount. These loans comprise of a small number of loans that the Council has made to external parties at less than market rates. Soft loans have been restated from historical cost to fair value basis by discounting future cash receipts using the prevailing market rate of interest.

iii. Other Loans at Market Rates

These balances are made up of loans to various bodies at market rates and are included on the Council's Balance Sheet as long-term debtors. As these loans are held at market rates the carrying value and fair value will not be materially different.

Available for sale assets are carried in the Balance Sheet at their fair value. These fair values are based on their current market price which is also the value they are included at in the Council's Balance Sheet.

Short term debtors and creditors including trade receivables and payables are carried at cost as this is a fair approximation of their value.

38 Nature and Extent of Risks Arising from Financial Instruments

The Council's activities expose it to a variety of financial risks:

- credit risk – the possibility that other parties might fail to pay amounts due to the Council
- liquidity risk – the possibility that the Council might not have funds available to meet its commitments to make payments
- interest rate risk – the possibility that financial loss might arise for the Council as a result of changes in such measures as interest rates and stock market movements.

The Council's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out by the Financial Services and Investment Manager, under policies approved by Dundee City Council in the annual treasury management strategy. Dundee City Council maintains written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk and the investment of surplus cash.

Credit risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the council's customers.

This risk is minimised through the Annual Investment Strategy, which requires that deposits are not made with financial institutions unless they meet identified minimum credit criteria, as laid down by Fitch, Moody's and Standard and Poors. The Annual Investment Strategy also imposes a maximum sum to be invested with a financial institution located within each category.

The credit limits in respect of financial assets held by the council are as detailed below:

- F1+ £12m
- F1 £10m
- AAAMf - Money Market Funds £10m
- UK Local Authorities £10m
- Debt Management Agency £10m
- Part Nationalised UK Banks £5m (with a minimum holding of 20% as per Capita Asset Services approach)
- OEICs - Government Liquidity, Gilt, Bond and Equity Funds* - 70% of asset class with any one institution

* Common Good and Insurance Funds only or at discretion of Executive Director of Corporate Services – see section 7 “Treasury Risk Register

Customers for goods and services are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings in accordance with parameters set by Dundee City Council.

The Council's maximum exposure to credit risk in relation to its investments in banks and building societies of £12m cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities in UK to be unable to meet their commitments. A risk of irrecoverability applies to all of the Council's deposits, but there was no evidence at the 31 March 2025 that this was likely to crystallise.

The following analysis summarises the Council's potential maximum exposure to credit risk on other financial assets, based on experience of default and uncollectability over the last five financial years, adjusted to reflect current market conditions.

	Amount at 31 March 2025 £000	Historical experience of default %	Historical experience adjusted for market conditions at 31 March 2025 %	Estimated maximum exposure to default and uncollectability at 31 March 2025 £000	Estimated maximum exposure at 31 March 2024 £000
	A	B	C	(A x C)	
Financial Institutions (F1)	4,844	-	-	-	-
				-	-

No credit limits were exceeded during the reporting period and the Council does not expect any losses from non-performance by any of its counterparties in relation to deposits and bonds.

Liquidity risk

The Council has a comprehensive cash flow management system that seeks to ensure that cash is available as needed. If unexpected movements happen, the Council has ready access to borrowings from the money markets and the Public Works Loans Board. There is no significant risk that it will be unable to raise finance to meet its commitments under financial instruments. Instead, the risk is that the Council will be bound to replenish a significant proportion of its borrowings at a time of unfavourable interest rates. The Council sets limits on the proportion of its fixed rate borrowing during specified periods. The maturity analysis of financial liabilities is as follows:

	31 March 2024 £000	31 March 2025 £000
Less than one year	88,188	174,089
Between one and two years	10,010	22,511

Between two and five years	27,536	42,539
Between five and ten years	15,014	17,500
More than ten years	441,270	436,270
	582,018	692,909

All trade and other payables are due to be paid in less than one year.

Interest rate risk

The Council is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council. For instance, a rise in interest rates would have the following effects:

- borrowings at variable rates – the interest expense charged to the Surplus or Deficit on the Provision of Services will rise
- borrowings at fixed rates – the fair value of the liabilities borrowings will fall
- investments at variable rates – the interest income credited to the Surplus or Deficit on the Provision of Services will rise
- investments at fixed rates – the fair value of the assets will fall

Borrowings are not carried at fair value, so nominal gains and losses on fixed rate borrowings would not impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund Balance. Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in Other Comprehensive Income and Expenditure.

The Council has a number of strategies for managing interest rate risk. The policy is to aim to keep a maximum of 30% of its borrowings in variable rate loans. During periods of falling interest rates, and where economic circumstances make it favourable, fixed rate loans will be repaid early to limit exposure to losses. The risk of loss is ameliorated by the fact that a proportion of government grant payable on financing costs will normally move with prevailing interest rates or the Council's cost of borrowing and provide compensation for a proportion of any higher costs.

The treasury management section has an active strategy for assessing interest rate exposure that feeds into the setting of the annual budget and which is used to monitor the budget quarterly during the year. This allows any adverse changes to be accommodated. The analysis will also advise whether new borrowing taken out is fixed or variable.

According to this assessment strategy, at 31 March 2025, if interest rates had been 1% higher with all other variables held constant, the financial effect would be:

	£000
Increase in interest payable on variable rate borrowings	1,641
Increase in interest receivable on variable rate investments	Nil
Impact on Surplus or Deficit on the Provision of Services	1,641
Share of overall impact debited to the HRA	432
Decrease in fair value of fixed rate investment assets	Nil
Impact on Other Comprehensive Income and Expenditure	Nil
Decrease in fair value of fixed rate borrowings liabilities (no impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure)	42,348

The impact of a 1% fall in interest rates would be as above but with the movements being reversed.

Price risk

The Council does not generally invest in equity shares but does have shareholdings to the value of £7,500 Ordinary B shares in Discovery Education Companies. These 'B' shares have no right to participate in the profits of the Company and no distributions of any kind, nor do they carry any voting rights at any general meeting of the company. As the shareholdings have arisen in the acquisition of specific interests, the Council is not in a position to limit its exposure to price movements by diversifying its portfolio. Instead it only acquires shareholdings in return for 'open book' arrangements with the company concerned so that the council can monitor factors that might cause a fall in the value of specific shareholdings.

Foreign exchange risk

The Council has no financial assets or liabilities denominated in foreign currencies and thus has no exposure to loss arising from movements in exchange rates.

39 Charities Account (Registered Charities)

During 2024/2025, the Council acted as sole Trustee for 5 registered Charities. The following Charitable Trusts and Endowments were registered with the Office of the Scottish Charity and Regulator (OSCR):

Name	OSCR registration	Accounting basis
A: Belmont Estate Trust	SC018900	Receipts and Payments
B: Camperdown Estate	SC018899	Receipts and Payments
C: William Dawson Trust	SC018920	Receipts and Payments
D: Hospital Fund	SC018896	Receipts and Payments
E: Fleming Trust	SC052182	Accruals, FRS102

The Income & Expenditure Account below summarises the transactions in the year and the Balance Sheet summarises the assets and liabilities at the year end.

2023/2024 Total £000	Income and Expenditure	A £000	B £000	C £000	D £000	E £000	2024/2025 Total £000
(479)	Rental income	(8)	-	-	(41)	(458)	(507)
(126)	Interest on investments	(8)	-	-	(35)	(32)	(75)
(605)	Total income	(16)	0	0	(76)	(490)	(582)
309	Expenditure	16	-	-	40	296	352
(296)	Net (income) / expenditure	0	0	0	(36)	(194)	(230)

2023/2024 Total £000	Balance Sheet	A £000	B £000	C £000	D £000	E £000	2024/2025 Total £000
	Fixed Assets						
11,648	Operational Land and Buildings	2,276	3,079	189	1	7,838	13,383
2,229	Investment Properties	-	-	-	384	-	384
13,877	Total Fixed Assets	2,276	3,078	189	385	7,838	13,767
407	Cash at Bank	-	-	-	-	393	393
57	Debtors	-	-	-	-	83	83
1,318	Funds deposited with DCC Loans Fund	185	3	7	851	708	1,754
1,782	Total Current Assets	185	3	7	851	1,184	2,230
(83)	Creditors	-	-	-	-	(90)	(90)
1,699	Net Current Assets	185	3	7	851	1,094	2,140
15,576	Net Assets	2,461	3,081	196	1,236	8,932	15,907
	Analysis of Fund Balances						
5,827	Revaluation Reserve	2,276	3,078	189	385	-	5,928
9,749	Revenue Reserve	185	3	7	851	8,932	9,978
15,576	Total reserves	2,461	3,081	196	1,236	8,932	15,906

NATURE AND PURPOSE

The nature and purpose of the Funds' detailed above is as follows:

A: Belmont Trust Estate

Estate gifted in 1918 by the late Mrs Emma Caird or Marryat of Roseangle, Dundee, in memory of her husband and her brothers, to be utilised for the benefit of the citizens of Dundee. The Trust's total reserves were £2.461m as at 31 March 2025 (31 March 2024: £2.395m).

B: Camperdown Estate Trust

Purchased in the interest and for the benefit of the Community on 11 November 1945, at a cost of £58,100 which was provided by the Sir James Caird Land Acquisition Fund. The Trust's total reserves were £3.081m as at 31 March 2025 (31 March 2024: £3.047m).

C: William Dawson Trust

Residue of estate handed over to the Lord Provost and Magistrates of the City of Dundee as trustees in 1948, for the purpose of acquiring ground for use as playing fields in wards X and XI. The Trust's total reserves were £0.196m as at 31 March 2025 (31 March 2024: £0.196m).

D: Hospital Fund

This Fund was established under the Dundee Churches and Hospital Act 1864, on behalf of the poor of the town. An annual payment of £80 is made from the Fund to local pensioners who require financial assistance. The Fund's total reserves were £1.236m as at 31 March 2025 (31 March 2024: £1.200m).

E: Fleming Trust

This Trust was established with sums gifted in 1929 by Robert Fleming for the purchase of land and buildings and the provision of suitable accommodation for re-housing the displaced occupants of slum property in Dundee. The Trust's total reserves were £8.932m as at 31 March 2025 (31 March 2024: £8.738m).

40 Charities Account (Unregistered Charities)

The Council acts as sole Trustee for 4 unregistered charities. These are the Broughty Ferry Lifeboat Disaster Fund, TRC Trusts, Miss Kinloch Fund and Orchar Art Gallery Trust.

The Income & Expenditure Account below summarises the transactions in the year and the Balance Sheet summarises the assets and liabilities at the year end.

Income & Expenditure	
2023/2024 (restated) Total £000	2024/20245 Total £000
(22) Income	(23)
- Expenditure	-
(22) Net (income) / expenditure	(23)
2024 (restated) £000	2025 £000
Balance Sheet as at 31 March	
Current Assets	
535 Funds deposited with DCC Loans Fund	557
535 Net Assets	557
Financed By Fund Balances and Reserves Available for Use:	
535 Fund Balances	557
535	557

41 Heritage Assets

Reconciliation of the Carrying Value of Heritage Assets held by the Council

	Museum & Art Gallery Collections £000	Other Heritage Assets £000	Total Assets £000
1 April 2024	18,519	2,273	20,792
Additions	63	-	63
Revaluations	-	-	-
31 March 2025	18,582	2,273	20,855

Museum and Art Gallery Collections

The valuation disclosed in the balance sheet is based on the assessment by the Council's insurers of the replacement value of the collection. Items valued in excess of £100,000 are detailed individually in the Museums Insurance schedule and these make up the total of assets included in this category.

Other Heritage Assets

This includes the Desperate Dan statue, Balgay Bridge and Linlathen Bridge.

Additions & Disposals of Heritage Assets

Additions in 2024/2025- £63k (2023/2024- £Nil)

There were no disposals in 2024/2025 (2023/2024- none)

42 Heritage Assets: Further Information

Museum and Art Gallery Collections

The Dundee Art Galleries and Museums Collection which is largely housed at the McManus Art Gallery & Museum in the City Centre, forms the major part of the heritage assets held by the Council.

The Art Gallery & Museum's major collection groups include Community History, Decorative Arts/Crafts, Early History, Fine Art, Natural History, Social History and World Cultures.

Community History

Collections of objects relating to the community and domestic life of Dundee, including civic history and recreation, along with costume.

Decorative Arts / Crafts

The collection of Scottish Provincial Silver consists of about 400 items, with excellent coverage of all known Dundee makers. Ceramics range from ornamental Japanese Satsuma ware and English 18th century porcelain to an expanding collection of contemporary Studio ceramics by mainly Scottish makers.

Early History

These collections comprise regional archaeology dating from prehistoric times to the Middle Ages drawn from the Dundee area, foreign artefacts representing ancient Egypt and more recent world culture, and an extensive collection of coins and medals.

Fine Art

This collection of over 4,000 works consists of oil paintings, watercolours, drawings, artists' prints and sculptures. Excellent coverage of 19th and 20th century Scottish Art with notable Dundee artists, John Duncan and McIntosh Patrick, and fine art photography by Joseph McKenzie are included in this collection.

Natural History

This section includes geological and botanical collections along with vertebrate and invertebrate zoology material.

Social History

This collection includes areas of interest ranging from Dundee's industrial and working history, to shipbuilding and transport.

World Cultures

This collection includes fascinating material from different cultures around the world, including artefacts brought back to Dundee by whalers, and important 'early contact' material from the 1874 Moresby expedition to Papua New Guinea.

Further information about these and other collections can be found at [here](#).

Library Collections of Rare Books, Manuscripts and Archives

The Rare Book Collections, Manuscripts and Archives are mainly held in the Central Library.

Among the collections and features are:

- Maps & plans – a wide range of maps and plans from early times to date,
- Lamb Collection, a unique resource of 450 archive boxes of ephemera, dating mainly from the latter part of the nineteenth century,
- Taybridge Disaster – a wealth of maps, plans, books, documents, drawings and photographs on the two Tay rail bridge disasters,
- A wide-ranging collection of works by and about William McGonagall
- Rare books and manuscripts – Dundee possessed one of Europe's earliest municipal libraries

Further information about these and other collections can be found [here](#).

Preservation and Management

The Director, Leisure & Communities, is responsible for making arrangements for the proper administration of the Galleries and Museums Collections. Assets are collated, preserved and managed in accordance with The Council's policy on management, acquisitions and disposals, as detailed in the Collections Development Policy 2024-2029. The full policy document can be found [here](#).

43 Other Long Term Liabilities

	31 March 2024 £000	31 March 2025 £000
PPP Schools Liability	53,467	112,171
DBFM School Liability (Baldragon)	22,159	26,018
Service Concession Arrangement Liability (Waste Project)	55,981	58,043
Financing Arrangement (Dundee House)	21,778	21,391
Right Of Use Liability	-	1,201
Burial Grounds Perpetuity Fund	93	-
Total	153,478	218,824

Please note that Service Concession debt was remeasured during 2024/2025 to comply with the requirements of IFRS16. For more information on this, please refer to Note 28.

44 Long Term Debtors

	31 March 2024 £000	31 March 2025 £000
Advances to Tayside Contracts for capital expenditure	9,229	10,438
Loans to other organisations	462	259
Housing loans / mortgages	1,404	1,245
Total	11,095	11,942

45 Service Income and Expenditure Including Internal Recharges

The service lines in the Comprehensive Income and Expenditure Statement exclude internal recharges (controllable budgets). The income and expenditure for each service, inclusive of internal recharges, are shown below:

	2024/2025			
	Gross Expenditure £000	Gross Income £000	Net Expenditure / (Income) £000	Internal Recharging Adj £000
Children & Families Services	242,788	(21,908)	220,880	-
Budgets Delegated to Dundee Health & Social Care Partnership	279,750	(167,840)	111,910	-
City Development	120,403	(41,190)	79,213	8,092
Neighbourhood Services	46,206	(18,265)	27,941	6,351
Chief Executive	18,488	(3,963)	14,525	1,557
Corporate Services	97,065	(60,657)	36,408	10,859
Construction	31,138	(30,692)	446	22,683
Housing Revenue Account	79,675	(62,527)	17,148	585
Discretionary NDR Relief	493	-	493	-
Tayside Valuation Joint Board	1,028	-	1,028	-
Miscellaneous Items	4,422	(756)	3,666	978
Cost Of Services	921,456	(407,798)	513,658	51,105

	2023/2024			
	Gross Expenditure £000	Gross Income £000	Net Expenditure / (Income) £000	Internal Recharging Adj £000
Children & Families Services	238,568	(40,714)	197,854	-
Budgets Delegated to Dundee Health & Social Care Partnership	258,180	(154,486)	103,694	-
City Development	118,257	(41,931)	76,326	14,454
Neighbourhood Services	45,597	(18,241)	27,356	6,171
Chief Executive	17,920	(2,193)	15,727	-
Corporate Services	94,019	(58,193)	35,826	6,536
Construction	26,881	(26,976)	(95)	20,423
Housing Revenue Account	78,585	(58,330)	20,255	561
Discretionary NDR Relief	497	-	497	-
Tayside Valuation Joint Board	802	-	802	-
Miscellaneous Items	6,269	(2,437)	3,832	1,047
Cost Of Services	885,575	(403,501)	482,074	49,192

46 Revenue from Contracts with Service Recipients

Amounts included in the Comprehensive Income and Expenditure Statement for contracts with service recipients:

2023/2024 £000	Revenue from contracts with service recipients:	2024/2025 £000
53,671	Housing Rents	56,671
2,968	Sheltered Housing Charge	3,260
2,994	Temporary Accommodation Properties	3,190
6,505	Residential Care	6,123
679	Non Residential Care	772
1,072	School Meals	1,239
547	Social Care Meals	612
3,279	Off Street Parking	3,410
2,459	On Street Parking	2,411
636	Building Warrants	980
840	Planning Applications	601
855	Trade Waste	839
537	Special Collections	629
900	Garden Waste Collections	940

598	Licensing	533
633	Burial Ground Charges	760
2,078	Miscellaneous	2,033
81,251	Total Included in Comprehensive Income and Expenditure	85,003

47 Capital Grants & Receipts Unapplied Account

	31 March 2024 £000	31 March 2025 £000
Capital Grants	354	341
Total	354	341

48 Debtors for Local Taxation

	31 March 2024 Restated £000	31 March 2025 £000
Up to One Year:		
Council Tax	1,529	1,714
NDRI	3,731	3,246
Total	5,260	4,960
Over One Year:		
Council Tax	522	956
NDRI	2,598	2,928
Total	3,120	3,884
Total		
Council Tax	2,051	2,670
NDRI	6,329	6,174
Total	8,380	8,844

The 2023/24 categorisation of NDRI Debtors for Local Taxation has been restated to increase the NDRI Debtors Up to One Year by £3,595,000 and to decrease the Debtors Over One Year by £3,595,000. There is no effect on the total NDRI Debtors for Local Taxation at 31 March 2024.

49 TAY CITIES REGION DEAL - LEAD AUTHORITY DISCLOSURES

The Tay Cities Region Deal was signed on 17th December 2020. It represents an investment in the Tay Cities region by the Scottish and UK Governments of £150 million each over 10 years. The City Region Deal seeks to transform the regional economy by delivering inclusive growth: raising the productivity of the region and increasing the participation of its workforce.

During 2024/2025, no project Business Cases were approved by the Tay Cities Region Joint Committee. Full Business case approval from the Joint Committee is required ahead of any drawdown of the funding. This presents a risk to the Partnership.

During 2024/2025, £11.597m drawdown of government grant had been made successfully. This is the first year that the Partnership requested a reduction of £18.054m against awarded profile. At the 31st March 2025, Grant due from Scottish Government was £2.451m and Grant payments due to projects were £2.451m. Dundee City Council acts as the Accountable Body for the Tay Cities Region Deal.

The analysis of funding awarded to individual projects and drawdown of grant is shown in the table below, which reflects both Capital and Revenue projects.

Project	Grant Award £000	Funded By SG £000	Funded By UKG £000	2024/25 Approved Allocation £000	2024/25 Grant Claimed £000	2024/25 Grant Approved during year £000	Grant Claims and Payments Outstanding as at 31 March 2025 £000
Dundee Airport Investment	8,900	8,900	-	-	-	-	-
Perth Bus & Rail Interchange	15,000	15,000	-	-	-	-	-
Low Carbon Transport & Active Travel Hubs	3,500	3,500	-	57	57	57	-
Advanced Manufacturing Programme	8,000	8,000	-	-	-	-	-
Advanced Plant Growth Centre	27,000	7,000	20,000	-	-	-	-
International Barley Hub	35,000	10,000	25,000	-	-	-	-
Angus Fund	26,500	-	26,500	140	205	205	205
CyberQuarter	11,700	6,000	5,700	943	938	938	672
Eden Campus	26,500	2,000	24,500	-	-	-	-
Just Tech	15,000	-	15,000	-	-	-	-
Growing the Tay Cities BioMedical Cluster	25,000	25,000	-	8,925	8,925	8,925	-
Perth Cultural Transformation (Perth Museum)	10,000	-	10,000	-	-	-	-
Pitlochry Festival Theatre	10,000	10,000	-	613	613	613	-

Project	Grant Award £000	Funded By SG £000	Funded By UKG £000	2024/25 Approved Allocation £000	2024/25 Grant Claimed £000	2024/25 Grant Approved during year £000	Grant Claims and Payments Outstanding as at 31 March 2025 £000
Project Beacon	5,200	-	5,200	-	-	-	-
Perth Innovation Highway	5,000	-	5,000	-	-	-	-
Regional Culture and Tourism Programme	27,000	27,000	-	415	415	415	72
Studio Dundee	3,000	3,000	-	-	-	-	-
Aviation Academy for Scotland	8,100	-	8,100	-	-	-	-
Rural Angus & Rural Perth and Kinross	2,000	-	2,000	-	-	-	-
Highspeed Broadband							
5G Digital Testbeds	2,000	2,000	-	726	601	601	447
Tay Cities Engineering Partnership	1,401	1,401	-	231	86	86	82
Innerpeffray Library	100	-	100	-	-	-	-
Aero Space Kinross	1,600	-	1,600	-	-	-	-
Crieff International							
Highland Centre	1,000	-	1,000	-	-	-	-
Stretch Dome Simulator	300	-	300	-	-	-	-
Total Capital Grant	278,801	128,801	150,000	12,050	11,840	11,840	1,478
Regional Skills and Employability Investment Programme	20,000	20,000	-	1,741	1,682	1,682	788
Tay Cities Engineering Partnership	599	599	-	198	68	68	31
Dundee Airport Investment	600	600	-	458	458	458	154
Total Revenue Grant	21,199	21,199	-	2,397	2,208	2,208	973
TOTAL	300,000	150,000	150,000	14,447	14,048	14,048	2,451

The Programme Management Office (PMO) supports the governance of the deal by completing operational tasks necessary to implement the Tay Cities Deal programme. The income and expenditure of the PMO is summarised in the table below:

	2023/2024 £000	2024/2025 £000
Expenditure	399	409
Income	(465)	(473)
Net Expenditure	(66)	(64)

The PMO is funded from partner local authorities, Higher and Further Education and Research partners. A combined underspend of £87,000 was carried forward to 2025/2026.

Further information can be found at: www.taycities.co.uk

50 Low Emission Zone Statement of Account

Dundee City Council introduced a Low Emission Zone (LEZ) within Dundee city centre on 30th May 2022, with a two year grace period. This means that between 30th May 2022 and 29th May 2024 drivers were not fined for entering the LEZ with a non-compliant vehicle. Enforcement started on Thursday 30th May 2024. All costs incurred to date were incurred as a result of planning, designing and implementing the LEZ. These were funded by various grants as detailed below.

The Dundee City LEZ was introduced to address air pollution in the city centre, mainly nitrogen dioxide (NO2) caused by road traffic. An LEZ is an area where only certain vehicles are allowed to enter based on their emissions standards. Low emission zones have now been introduced in the four biggest cities in Scotland - Aberdeen, Edinburgh, Glasgow and Dundee in line with the legislation issued by the Scottish Government - The Low Emission Zones (Scotland) Regulations 2021.

	2019/2020 £000	2020/2021 £000	2021/2022 £000	2022/2023 £000	2023/2024 £000	2024/2025 £000
Expenditure						
Signage				7	89	79
IT Consultancy for Enforcement Software			2	2		
Planning			150	341	122	
Computer Software					101	33
Consultancy Support (Revenue)	1					
Equipment			1			
Communications						
Design/Development			2			
Postages						56
Other Revenue						16
Staff Costs						125
Provision for Doubtful Debts						547

Office Improvements						58
Total Expenditure	1	-	155	350	312	914
Income						
Transport Scotland (LEZ) Revenue	1		3			230
Transport Scotland (LEZ) Capital			152	350	312	123
PCN Income (Including outstanding income)						1,388
Total Income	1	-	155	350	312	1,741

The Council Tax Income Account (Scotland) shows the gross income raised from council taxes levied and deductions made under statute. The resultant net income is transferred to the Comprehensive Income and Expenditure Statement of the authority.

2023/2024 £000		2024/2025 £000
99,974	Gross Council Tax levied and contributions in lieu	100,791
(77)	Adjustments for prior years Council Tax	(92)
99,897		100,699
	Adjusted for:	
(20,616)	Other discounts and reductions	(19,718)
(13,666)	Council Tax Reduction Scheme	(13,617)
(1,491)	Provision for Non-collection	(1,021)
64,124	Net Council Tax Income per the Comprehensive Income and Expenditure Account	66,343

The calculation of the Council Tax Base 2024/25:

	No of Dwellings	No of Exemptions	Disabled Relief	Discounts 25%	Discounts 50%	Total Equivalent Dwellings	Ratio to Band D	Band D Equivalents
Band A	28,078	2,973	32	16,463	581	20,727	240/360	13,833
Band B	17,415	1,497	60	7,969	279	13,795	280/360	10,729
Band C	9,922	944	69	3,769	119	7,979	320/360	7,092
Band D	9,761	514	72	2,945	113	8,457	360/360	8,457
Band E	7,800	756	75	1,773	77	6,515	473/360	8,560
Band F	2,601	73	28	491	31	2,372	585/360	3,855
Band G	1,163	31	10	183	19	1,067	705/360	2,090
Band H	40	5	-	8	5	31	882/360	76
TOTAL								54,692
Provision for non-collection (3.2%)								(1,750)
Council Tax Base								52,942

Dwellings fall within a valuation band between A to H which is determined by the Assessor. The Council Tax charge is calculated using the Council Tax Base i.e. Band D equivalents. This value is then increased or decreased depending on the band. Based on the Council Tax base available to Dundee City Council, the band D charge for 2024/2025 was £1,486.

Dundee City Council £ per year for 2024/2025:

Band A	£990.95
Band B	£1,156.11
Band C	£1,321.27
Band D	£1,486.43
Band E	£1,953.00
Band F	£2,415.45
Band G	£2,910.93
Band H	£3,641.75

National Non Domestic Rates (NNDR) income is collected by local authorities, but all income is then remitted to the Scottish Government, where it is pooled nationally, and re-distributed back to local authorities along with the Revenue Support Grant.

2023/2024 £000		2024/2025 £000
100,334	Gross rates levied and contributions in lieu	104,958
	Less:	
(27,599)	Reliefs and other deductions	(30,918)
-	Payments of interest	(101)
(6,907)	Write Off of uncollectable debt and allowance for impairment	(5,092)
65,828	Net Non Domestic Rate Income	68,847
8,528	Adjustment to Previous Years' Non-Domestic Rates	(1,450)
74,356	Total Non Domestic Rate Income (before local authority retentions)	67,397
-	Non Domestic Rates Retained by Authority	-
74,356	Contribution to Non-Domestic Rate Pool	67,397

Net Rateable Value Calculation

The amount paid for NNDR is determined by the rateable value placed on the property by the Assessor multiplied by the rate per £, which is determined each year by the Scottish Government. The basic property rate NNDR poundage set by the Scottish Government for 2024/2025 was £0.498, the intermediate property rate was £0.545, payable when rateable value is between £51,000 and £100,000, and the higher property rate was £0.559, payable when rateable value exceeds £100,000.

	2024/2025 £
Analyses of Rateable Values:	
Rateable Value at 1/04/2024	191,898,000
Running Roll (Full Year Rateable Value)	-
Rateable Value at 31/03/2025	187,686,000
Less: Wholly Exempt	(1,411,000)
Net Rateable Value at 31/03/2025	186,275,000
Dundee City Council's Rateable Values at 1 April 2025	£000
Commercial	83,891
Industrial and Freight Transport	33,088
Public Undertakings	9,334
Others	61,373
Total	187,686

Housing Revenue Account - Income & Expenditure Statement

The HRA Income and Expenditure Statement shows the economic cost in the year of providing housing services in accordance with generally accepted accounting practices, rather than the amount to be funded from rents and government grants. Authorities charge rents to cover expenditure in accordance with the legislative framework; this may be different from the accounting cost. The increase or decrease in the year, on the basis upon which rents are raised, is shown in the Movement on the Housing Revenue Account Statement.

2023/2024 £000	Notes	2024/2025 £000
Income		
53,671	Dwelling Rents	56,671
844	Non-dwelling Rents	851
3,717	Any Other Income	4,944
58,232	Total Income	62,466
Expenditure		
(25,708)	Repairs and Maintenance	(28,185)
(14,811)	Supervision and Management	(14,395)
(274)	Rent, rates, taxes and other charges	(148)
(35,700)	Depreciation and Impairment on Non-Current Assets	(33,800)
(1,994)	Movement in the Impairment Allowance for Non-Trade Debtors	(3,086)
(78,487)	Total Expenditure	(79,614)
(20,255)	Net Cost of HRA Services as included in the Comprehensive Income and Expenditure Statement	(17,148)
(459)	HRA Services' Share of Corporate and Democratic Core	(489)
(20,714)	Net Cost for HRA Services	(17,637)
HRA share of the operating income and expenditure included in the Comprehensive Income and Expenditure Statement:		
107	Gain or (Loss) on Sale of HRA Non-Current Assets	222
(7,059)	Interest Payable and Similar Charges	(8,108)
(92)	Impairment of Assets Held for Sale	-
754	Interest and Investment Income	458
46	Pension Interest Cost and Expected Return on Pension Assets	15
-	Change in Fair Value of Investment Property	-
1,531	Capital Grants and Contributions Receivable	695
(130)	Movement in the Impairment Allowance for Trade Debtors	43
(25,557)	Surplus or (Deficit) for the Year on HRA Services	(24,312)

Housing Revenue Account - Movement in Reserves Statement

2023/2024 £000	Notes	2024/2025 £000
(25,557)	Surplus or (Deficit) for the Year on HRA Income and Expenditure Statement	(24,312)
21,482	Adjustments between Accounting Basis and Funding Basis Under Statute	1 20,188
(4,075)	Net Increase or (Decrease) Before Transfers to or from Reserves	(4,124)
4,075	Transfers (to) or from Reserves	2 4,124
-	Increase or (Decrease) in Year on the HRA	-
-	Balance on the HRA at the end of the Current Year	-

Housing Revenue Account – Disclosures**1 Adjustments between Accounting Basis and Funding Basis under Statute**

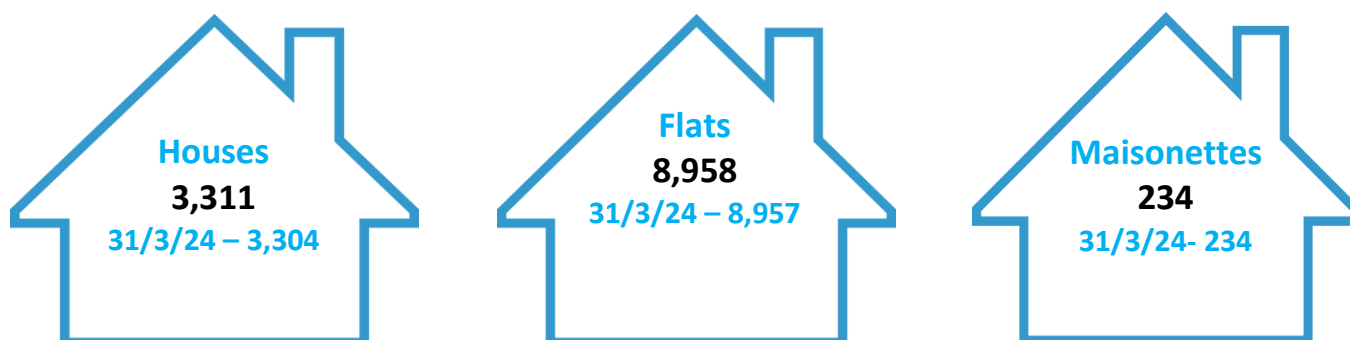
2023/2024 £000		2024/2025 £000
(107)	Gain or loss on sale of HRA non-current assets	(222)
92	Impairment of Assets Held for Sale	-
	Transfer to/from Revaluation Reserve:	
13,831	* Current Value Element of Depreciation Charge	18,347
	Transfer to/from Capital Adjustment Account:	
21,869	* Depreciation and Impairment - Housing Revenue Account Assets	15,453
(1,531)	* Capital Grants and Contributions	(695)
(12,370)	* Repayment of Debt	(12,616)
-	* Capital Financed from Current Revenue (CFCR)	-
-	Change in Fair Value of Investment Property	-
6	Short Term Accumulating Absences	(12)
(77)	HRA share of contributions to or from the Pensions Reserve	16
(231)	HRA Share of Transfer to/from the Financial Instruments Adjustment Account	(83)
21,482	Total	20,188

2 Transfers (to) or from Reserves

2023/2024 £000		2024/2025 £000
4,525	Transfer (to)/from the Renewal & Repair Fund	4,574
(450)	Transfer from General Fund (Funding for CFCR from Reduced Council Tax Discounts on long-term Empty Properties and Second Homes)	(450)
4,075	Total	4,124

3 Housing Stock

The Council's housing stock at 31 March 2025 was as follows:

**4 Rent Arrears**

Rent Arrears at 31 March 2025 were £4,637,736.14 (£4,622,774.26 at 31 March 2024).

5 Impairment of Debtors

In 2024/2025 an impairment of £5,213,862 has been provided in the Balance Sheet for irrecoverable rents, a net increase of £359,334 from the provision in 2023/2024.

6 Voids

The total value of uncollectable void rents was £2,076,547 (2023/2024 £1,620,791). This has been netted against rental income.

7 Accumulated Housing Revenue Account Balance

The Renewal & Repair Fund balance at 31 March 2025 was £6.295m, of which £3.193m was earmarked for the Housing Revenue Account.

The Group Comprehensive Income and Expenditure Statement combines the income and expenditure figures of the Council with the Council's share of operating results of those entities in which it has a financial interest.

2023/2024			2024/2025		
Gross Expenditure £000	Gross Income £000	Net Expenditure / (Income) £000	Gross Expenditure £000	Gross Income £000	Net Expenditure / (Income) £000
238,568	(40,714)	197,854	242,788	(21,908)	220,880
258,180	(154,486)	103,694	279,750	(167,840)	111,910
103,803	(27,477)	76,326	113,928	(33,098)	80,830
39,692	(12,493)	27,199	39,989	(12,372)	27,617
5,642	(1,651)	3,991	5,134	(2,004)	3,130
87,483	(51,657)	35,826	86,206	(49,798)	36,408
6,458	(6,553)	(95)	8,456	(8,009)	447
78,024	(57,769)	20,255	79,090	(61,942)	17,148
497	-	497	493	-	493
802	-	802	1,028	-	1,028
5,222	(1,390)	3,832	3,443	222	3,665
123	-	123	142	-	142
18,603	(6,774)	11,829	19,510	(8,166)	11,344
843,097	(360,964)	482,133	879,957	(364,915)	515,042
		(515)			(3,405)
		29,749			35,160
		(453,828)			(484,157)
		57,539			62,640
		3,088			3,039
		60,627			65,679
		(76,629)			24,585
		1,977			317
		(120)			2
					(230)
		2,606			(5,291)
		-			-
		(72,166)			19,383
		(11,539)			85,062

The Group Movement in Reserves Statement shows the movement in the year on the different reserves held by the council, together with the movement in the Council's shares of those entities in which it has a financial interest.

	<u>Revenue Reserves</u>				<u>Capital Reserves</u>				
	General Fund Balance £000	HRA Balance £000	Renewal and Repair Fund £000	Insurance Fund £000	Capital Grants & Receipts Unapplied Account £000	Capital Fund £000	Total Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
Balance at 31 March 2023	(77,152)	-	(14,759)	(644)	(1,375)	(2,690)	(96,620)	(983,585)	(1,080,205)
Movement in reserves during 2023/2024									
Total Comprehensive Expenditure and Income	35,070	25,557	-	-	-	-	60,627	(72,166)	(11,539)
Adjustments to Usable Reserves Permitted by Accounting Standards	(20,785)	(13,831)	-	-	-	-	(34,616)	34,616	-
Adjustments between Group Accounts and Council Accounts	(1,381)	-	-	-	-	-	(1,381)	1,809	428
Net (Increase)/Decrease before Transfers	12,904	11,726	-	-	-	-	24,630	(35,741)	(11,111)
Adjustments between Accounting Basis and Funding Basis Under Regulations	(33,509)	(7,651)	-	-	1,021	657	(39,482)	39,482	-
Net (Increase)/Decrease before Transfers to Earmarked Reserves	(20,605)	4,075	-	-	1,021	657	(14,852)	3,741	(11,111)
Transfers to/(from) Other Statutory Reserves	804	(4,075)	3,933	(548)	-	(114)	-	-	-
(Increase)/Decrease in 2023/2024	(19,801)	-	3,933	(548)	1,021	543	(14,852)	3,741	(11,111)
Balance at 31 March 2024	(96,953)	-	(10,826)	(1,192)	(354)	(2,147)	(111,472)	(979,844)	(1,091,316)

	Revenue Reserves				Capital Reserves		Total Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
	General Fund Balance £000	HRA Balance £000	Renewal and Repair Fund £000	Insurance Fund £000	Capital Grants & Receipts Unapplied Account £000	Capital Fund £000			
Balance at 31 March 2024	(96,953)	-	(10,826)	(1,192)	(354)	(2,147)	(111,472)	(979,844)	(1,091,316)
Movement in reserves during 2024/2025									
Total Comprehensive Expenditure and Income	41,367	24,312	-	-	-	-	65,679	19,383	85,062
Adjustments to Usable Reserves Permitted by Accounting Standards	(21,841)	(18,347)	-	-	-	-	(40,188)	40,188	-
Adjustments between Group Accounts and Council Accounts	(5,878)	-	-	-	-	-	(5,878)	(3,324)	(9,202)
Net (Increase)/Decrease before Transfers	13,648	5,965	-	-	-	-	19,613	56,247	75,860
Adjustments between Accounting Basis and Funding Basis Under Regulations	(6,271)	(1,841)	-	-	13	(480)	(8,579)	8,579	-
Net (Increase)/Decrease before Transfers to Earmarked Reserves	7,377	4,124	-	-	13	(480)	11,034	64,826	75,860
Transfers to/(from) Other Statutory Reserves	(148)	(4,124)	4,531	(168)	-	(91)	-	-	-
(Increase)/Decrease in 2024/2025	7,229	-	4,531	(168)	13	(571)	11,034	64,826	75,860
Balance at 31 March 2025	(89,724)	-	(6,295)	(1,360)	(341)	(2,718)	(100,438)	(915,018)	(1,015,456)

The Group Balance Sheet shows as at 31 March the assets and liabilities of the Group and combines the Council's assets and liabilities with the Council's share of those entities assets and liabilities in which it has a financial interest.

31 March 2024 £000		31 March 2025 £000
1,849,187	Property, Plant & Equipment	1,921,042
20,792	Heritage Assets	20,855
13,073	Investment Property	13,073
2,759	Intangible Assets	2,675
29	Long Term Investments	29
7,942	Investments in Associates	12,332
8,234	Long Term Debtors	7,718
1,902,016	Long Term Assets	1,977,724
7,455	Short Term Investments	9,676
1,153	Inventories	1,175
56,463	Short Term Debtors	67,102
2,033	Cash and Cash Equivalents	-
4,493	Assets Held for Sale	4,448
71,597	Current Assets	82,401
(94,789)	Short Term Borrowing	(183,164)
(96,109)	Short Term Creditors	(75,110)
-	Cash and Cash Equivalents	(5,964)
(190,898)	Current Liabilities	(264,238)
(4,297)	Provisions	(3,170)
(494,522)	Long Term Borrowing	(518,204)
(32,559)	Pension Liability	(28,689)
(153,479)	Other Long Term Liabilities	(218,824)
(6,542)	Capital Grants Receipts in Advance	(11,544)
(691,399)	Long Term Liabilities	(780,431)
1,091,316	Net Assets	1,015,456
111,472	Usable reserves	100,438
979,844	Unusable Reserves	915,018
1,091,316	Total Reserves	1,015,456

The unaudited accounts were authorised for issue on 25 June 2025 and the audited accounts were authorised for issue on 24 September 2025 and signed on their behalf by:-



Paul Thomson CPFA
Executive Director of Corporate Services
Dundee City Council

The notes on pages 136 to 140 form part of the financial statements.

The Group Cash Flow Statement shows the change in the year of cash and cash equivalents of the Council and those entities in which it has a financial interest.

2023/2024 £000		2024/2025 £000
60,517	Net (Surplus) or Deficit on the provision of services	62,640
(73,031)	Adjust net (Surplus) or Deficit on the provision of services for non cash movements	(71,203)
2,356	Adjust for items included in the net (Surplus) or Deficit on the provision of services that are investing and financing activities	3,323
(10,158)	Net cash flows from Operating Activities	(5,240)
82,125	Investing Activities	117,626
(60,867)	Financing Activities	(104,389)
11,100	Net (Increase) or Decrease in cash and cash equivalents	7,997
13,133	Cash and cash equivalents at the beginning of the reporting period	2,033
2,033	Cash and cash equivalents at the end of the reporting period	(5,964)

1 Impact of Consolidation on Reserves

The impact on total reserves of consolidating group entities is shown in the following tables.

Group Entity	As at 31 March 2025		
	Usable	Unusable	Total
	Reserves £000	Reserves £000	Reserves £000
Dundee City Council (Single Entity)	77,746	912,282	990,028
Elimination of Intra-group balances within single-entity accounts	174	-	174
Tayside Contracts Joint Committee	3,434	3,341	6,775
Common Good Fund	3,313	(322)	2,991
Fleming Trust	8,228	-	8,228
Leisure & Culture Dundee	3,101	(283)	2,818
Dundee City Integration Joint Board	4,442	-	4,442
Total per Group Balance Sheet	100,438	915,018	1,015,456

Group Entity	As at 31 March 2024		
	Usable	Unusable	Total
	Reserves £000	Reserves £000	Reserves £000
Dundee City Council (Single Entity)	92,250	980,432	1,072,682
Elimination of Intra-group balances within single-entity accounts	35	-	35
Tayside Contracts Joint Committee	(138)	42	(96)
Common Good Fund	3,287	(292)	2,995
Fleming Trust	8,456	-	8,456
Leisure & Culture Dundee	2,877	(338)	2,539
Michelin Scotland Innovation Parc	4,705	-	4,705
Total per Group Balance Sheet	111,472	979,844	1,091,316

From 2022/2023 a £2m de-minimis on an organisation's net assets / liabilities has resulted in Design Dundee Limited being excluded in terms of being immaterial. From 2023/2024 this has also resulted in Tayside Valuation Joint Board being excluded from the Group in terms of being immaterial.

2 Impact of Consolidation on Cash and Cash Equivalents

The impact on total cash and cash equivalents of consolidating group entities is shown below:

Group Entity	At 31 March 2024	At 31 March 2025
	£000	£000
Dundee City Council (Single Entity)	1,626	(6,357)
Fleming Trust	407	393
Total per Group Balance Sheet	2,033	(5,964)

3 Group Accounting Policies

The group accounting policies are those specified for the single entity financial statements. The accounting policies of all group entities are materially the same as those of the single entity, except as where subsequently stated. The appropriate consolidation adjustments have been made where group entities are not required to prepare their financial statements on an IFRS basis.

Subsidiaries:Common Good Fund and Fleming Trust

The Council administers the Common Good Fund for the former Burgh of Dundee. Whilst the Council does not have legal title over the assets of the Fund, they are legally vested in the Council and have therefore been included in the Group Accounts on the basis of applying the principle of faithful representation. Similarly, a charitable trust administered by the Council (the Fleming Trust) has also been included in the Group Accounts. The income, expenditure, assets and liabilities of the Common Good Fund and Fleming Trust have been consolidated as subsidiaries on a "line-by-line" basis in the Group Accounts. Separate details of the Common Good Fund are included on page 141. Separate details of the Fleming Trust are included in Note 39.

Leisure and Culture Dundee

Leisure and Culture Dundee (LACD) is a Scottish Charitable Incorporated Organisation (SCIO) that was established to manage the leisure and cultural facilities owned by the Council and has been in operation since 1 July 2011. The operational responsibility for Dundee Ice Arena was also transferred to LACD from 1 April 2014. In 2020/2021, the organisation was consolidated as a subsidiary on a "line-by-line" basis. In previous years LACD was consolidated as an Associate on a "net equity" basis. This change in accounting treatment reflects the increased level of financial support and other assurances provided by the Council to LACD in the wake of the Covid-19 pandemic. For the purpose of consolidation and disclosure, unaudited accounts to the year ended 31 March 2025 were used.

Associates:Tayside Contracts Joint Committee

Tayside Contracts is a commercially based local authority contracting organisation providing catering, cleaning, roads maintenance, vehicle maintenance and winter maintenance throughout the Tayside area of Scotland. Tayside Contracts operates under a Joint Committee comprising of elected members from Dundee, Angus and Perth & Kinross Councils. Tayside Contracts is accounted for as an "associate" and has been consolidated on a "net equity" basis. For the purpose of consolidation and disclosure, unaudited accounts to the year ended 31 March 2025 were used.

Joint Ventures:Dundee City Integration Joint Board

The Dundee City Integration Joint Board was established 3 October 2015 by a formal legal partnership agreement between the two parent organisations, Dundee City Council and NHS Tayside. It is responsible for the operational management and oversight of delegated health and social care functions with effect from 1 April 2016. The Public Bodies (Joint Working) (Integration Joint Board) (Scotland) Amendment (No 3) Order 2015 provides the regulatory framework for the administration of the Board. It has been accounted for on a "net equity" basis. For the purpose of consolidation and disclosure, unaudited statutory accounts to the year ended 31 March 2025 were used.

Michelin Scotland Innovation Parc

Michelin Scotland Innovation Parc (MSIP) Limited was created in May 2019 to provide suitable governance arrangements for the Michelin Scotland Innovation Parc on the site of the former Michelin factory. Dundee City Council controlled 33% of the voting rights until the 18 December 2024 when the Council sold its shares in the limited company relinquishing all right of influence or control over Michelin Scotland Innovation Parc (MSIP) Limited. As a result Michelin Scotland Innovation Parc (MSIP) Limited do not form part of Dundee City Council's group accounts to 31 March 2025.

Copies of the accounts for all the above organisations can be obtained from the Executive Director of Corporate Services, Dundee City Council, (e-mail: paul.thomson@dundeecity.gov.uk). In accordance with the Local Authority Accounts (Scotland) Regulations 2014, copies of audited accounts of those organisations treated as subsidiaries will also be published on the Council's website once these are available.

5 Non-Material Interests in Other Entities

The Council also has non-material interests in the following other entities:

Tayside Valuation Joint Board

Tayside Valuation Joint Board ("the Joint Board") was established in 1996 as part of the reorganisation of local government. It took over from the Local Authorities in its area certain duties in relation to valuation for rating and council tax. The Joint Board comprises 15 members who are appointed by the three Councils in its area. Dundee City Council nominates 6 members, Perth & Kinross Council 5 and Angus Council 4. Tayside Valuation Joint Board ("the Joint Board") accounted for as an "associate" and has been consolidated on a "net equity"

basis. For the purpose of consolidation and disclosure, unaudited accounts to the year ended 31 March 2025 were used.

Design Dundee Limited

Design Dundee Limited (DDL) was established to organise the development and delivery of the V&A Museum of Design Dundee (V&A Dundee). The Council are one of the founder members of the company together with Universities of Dundee and Abertay, Scottish Enterprise and Victoria & Albert Museum. The company is limited by guarantee and is a registered charity. The Council has one officer appointed as a Director to the Board (total number Directors is currently 16) and Dundee City Council is one of the five voting members. The company has a wholly owned subsidiary, Dundee Design Enterprises Limited (DDE) which was established to organise the commercial activities of the V&A Museum. A £2m de-minimis on an organisation's net assets / liabilities has resulted in Design Dundee Limited being excluded in terms of being immaterial. For the purpose of assessing materiality and whether to consolidated and disclose, audited management accounts to 31 March 2025 were used.

Discovery Education Companies (3 companies)

Discovery Education PLC, Discovery Education (Holdings) Limited and Discovery Education (Nominee) Limited were established during financial year 2006/2007 to operate the Dundee Schools PPP Project. The Council has a contract with Discovery Education PLC to carry out the projects works and services. Dundee City Council has a 1.5% shareholding in Discovery Education (Holdings) Limited. The Council owns £7,500 Ordinary B shares of £1 each. These 'B' shares have no rights to participate in the profits of the Company and no distributions of any kind, nor do they carry any voting rights at any general meeting of the company. The Council has an officer appointed as a Director on the Board of the company (total number of directors is 3). The Council also has an officer appointed as a Director on the Board of both the other companies although the Council has no shareholding (total number of directors on both other companies is 3). The Council's interest in these companies is accounted for as an investment in the single entity and group accounts.

There are nine other entities the Council has an interest in but no investment. The nature of the Council's interest is such that the financial results of these entities do not require to be consolidated in the group accounts. These entities are as follows:

Replacement of Baldrigon Academy – Project Delivery Company

An investment of £299,800 has been made by the Council in the Subordinated Debt of the project delivery company (Hub East Central (Baldrigon) Limited), this being the maximum investment that can be made under the revised Hub Design, Build, Finance and Maintain (DBFM) structure. This debt carries an interest rate of 10% and is repayable on a semi-annual basis from 31 March 2021, with a final repayment date of 31 March 2042. This represents 10% of the total sub debt invested in Hub East Central (Baldrigon) Limited ("DBFM Co"). The Council's investment is accounted for as a long term debtor in the single entity and group accounts.

The Council also holds 10 "B" Ordinary Shares in Hub East Central (Baldrigon) Midco Limited ("MidCo") representing a 10% shareholding. DBFM Co is a wholly owned subsidiary of MidCo. The Council has an officer appointed as a Director on the Board of both companies (both companies have a total number of 6 directors).

Dundee Contemporary Arts Limited

The Dundee Contemporary Arts Limited Company was established to operate the Arts Centre in Dundee, which is owned by the Council. There is a lease agreement with the company for the occupation of the Arts Centre. The company is limited by guarantee and the members' liability is limited to a maximum amount of £1. The Council has four elected members and one officer appointed as Directors to the Board (maximum number of Directors is 20).

Dovetail Enterprises (1993) Limited

Dovetail Enterprises Limited was established to provide training and employment for persons with disabilities. The Council provides annual grant funding to this organisation. As a result of significant financial challenges Dovetail Enterprises (1993) Limited the company is subject to Company Administration procedures. Geoff Jacobs and Alistair McAlinden were appointed as Joint Administrators to Dovetail Enterprises (1993) Limited, trading as Dovetail, on 28 March 2025.

Tay Cities Region Joint Committee

Tay Cities Region Joint Committee was created in September 2017 to provide suitable governance arrangements for the Tay Cities Deal. The financial results of the Joint Committee have not been consolidated in the Council's Group Accounts on the basis that the transactions and balances were less than the de-minimis amount required for the Council to consider consolidation in the Council's accounts. This treatment will be reviewed in future years to ensure that the Joint Committee is consolidated and disclosed within the Council's accounts when this is material.

Studio Dundee Joint Venture Company Limited

Studio Dundee Joint Venture Company Limited (SDJVC) was created in March 2018 to provide suitable governance arrangements for the development of Central Waterfront Development Plot 2. Studio Dundee Joint Venture Company Limited was dissolved 2 July 2024.

Dundee Science Centre

Dundee Science Centre (DSC) was established to advance education by promoting awareness and understanding of science, technology, engineering and mathematics through the establishment and operation of a permanent exhibition and education / learning programmes in DSC and via outreach programmes. The company is a Charitable Company Limited by Guarantee. The Council has one elected member and one officer appointed as Directors to the Board (total number of Directors is 12). Dundee Science Centre Enterprises Limited is a wholly owned subsidiary of DSC.

Leisure and Culture Dundee Training C.I.C

Leisure and Culture Dundee Trading Community Interest Company (CIC) was established in anticipation of some services being transferred from Leisure and Culture Dundee but this has not yet taken place and there are no imminent plans to do so. The company is currently active. The Council has one officer appointed as a Director to the Board (total number of Directors is 2).

Ardler Village Trust Company

Ardler Village Trust Company was established with the aim of achieving various objectives for the area and residents of Ardler, including advancing education and skills training, promotion of health education, relieving unemployment, alleviating poverty, and prevention of crime. The Council has one elected member and two officers appointed as Directors to the Board (total number of Directors is 8).

6. Related Entities Not ConsolidatedTay Road Bridge Joint Board

The Board comprises twelve elected members who are appointed by the three constituent Councils, with Dundee City Council nominating six members. Following the abolition of tolls in February 2008, the revenue and capital expenditure requirements of the Board are met directly by grants from the Scottish Government. The financial results of the Board have not been consolidated in the Council's Group Accounts on the basis that the Council does not have a financial interest or investment in the Board.

National Housing Trust Initiatives

The National Housing Trust (NHT) is a housing initiative developed by the Scottish Government, in partnership with the Scottish Futures Trust and local authorities. The aim is to deliver new homes for mid-market rent while at the same time stimulating the housing market.

Broughty Ferry NHT 2011 LLP

In August 2010, the Council agreed to participate in Phase 1 of the National Housing Trust Initiative, to provide properties for mid-market rent within Dundee subject to suitable bids being received. It was agreed that up to a maximum of 75 units may be considered, involving a prudential borrowing requirement of up to £6.337m. This prudential borrowing would be backed by Scottish Government guarantees. In March 2011, the Council approved a bid from Ferrier Holdings to provide 16 x 2 bedroom flats at East Links Place, Broughty Ferry. The Council would provide 65% of the funding required, with the developer retaining a 35% interest for the minimum five year period. Following the initial five year period the flats could continue to be rented, sold to sitting tenants or sold on the open market.

The Special Purpose Vehicle (SPV) established for this project is Broughty Ferry NHT 2011 LLP. The Council is one of the three designated members of the SPV and provided funding of £1,456,560 during the 2014/15 financial year, by way of a loan which is repayable after 6.5 years. This loan is included at par value under Long Term Debtors in the Council's Balance Sheet. This loan was repaid during April 2020. The financial results of the SPV have not been consolidated in the Council's Group Accounts on the basis that the SPV is deemed to be a subsidiary of the developer and the Council does not therefore have control or exercise significant influence.

The Council administers the Common Good Fund for the former Burgh of Dundee. Common Good Funds came into existence in medieval times when the Crown gave lands to Burghs. The rents and feu-duties on these lands were to be used for the common good, which at that time was the minimal level of public service provided such as public lighting, street cleaning and repairs. Over time, as the level of public services increased, the rates system was introduced as the funding mechanism. The funds still held are to be used for purposes which promote "the general good of the inhabitants".

2023/2024 £000	Income & Expenditure Account	2024/2025 £000
	<u>Income</u>	
(155)	Dividends on Bonds / Shares	(168)
(155)		(168)
	<u>Expenditure</u>	
123	Other Expenditure	142
123		142
(32)	(Surplus)/Deficit for Year	(26)
2024 £000	Balance Sheet as at 31 March	2025 £000
	<u>Current Assets</u>	
2,995	Short Term Investments	2,991
2,995		2,991
	<u>Current Liabilities</u>	
-	Sundry Creditors	-
-		-
2,995	Net Assets	2,991
	Financed By Fund Balances and Reserves	
	Not Available for Use:	
(292)	- Financial Instruments Restatement Reserve	(322)
(292)		(322)
	Available for Use:	
3,287	- Common Good Balance	3,313
2,995		2,991

The unaudited accounts were authorised for issue on 25 June 2025 and the audited accounts were authorised for issue on 24 September 2025 and signed on their behalf by:-



Paul Thomson CPFA
Executive Director of Corporate Services
Dundee City Council
25 June 2025

1. SHORT TERM INVESTMENTS

Included within the Short Term Investments figure of £2,991,057 are investments in Bonds to the value of £2,877,556.

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

Reporting on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of Dundee City Council and its group for the year ended 31 March 2025 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the council-only Expenditure and Funding Analysis, the group and council-only Comprehensive Income and Expenditure Statements, Movement in Reserves Statements, Balance Sheets, and Cash Flow Statements, the council-only Council Tax Income Account, Non-Domestic Rate Income Account, Housing Revenue Account, Common Good Fund Account and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the 2024/25 Code).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the council and its group as at 31 March 2025 and of the income and expenditure of the council and its group for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

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

Conclusions relating to going concern basis of accounting

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

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

These conclusions are not intended to, nor do they, provide assurance on the current or future financial sustainability of the council and its group. However, I report on the

council's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

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

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

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- using my understanding of the local government sector to identify that the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003 are significant in the context of the council and its group;
- inquiring of the Executive Director of Corporate Services as to other laws or regulations that may be expected to have a fundamental effect on the operations of the council and its group;
- inquiring of the Executive Director of Corporate Services concerning the policies and procedures of the council and its group regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

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

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

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

Reporting on other requirements

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

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

Other information

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

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

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

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

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

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which I required to report by exception

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

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

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of my report

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

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

While much of the terminology used in this document is intended to be self-explanatory, the following additional definitions and interpretation of terms may be of assistance.

Accounting Period

The period of time covered by the accounts, normally a period of 12 months commencing on 1 April.

Actuarial Gains and Losses (Pensions)

Changes in actuarial deficits or surpluses that arise because events have not coincided with previous actuarial assumptions or actuarial assumptions have changed.

Asset

An asset is categorised as either current or non-current. A current asset will be consumed or cease to have material value within the next financial year (e.g. cash and stock). A non current asset will provide benefit to the Council and to the Services it provides for a period of more than one year.

Associate

An entity in which the Council has a participating interest or over whose operating and financial policies the Council is able to exercise significant influence.

Balance Sheet

This represents the overall financial position of the Council at the end of the year. All inter-departmental balances have been eliminated upon consolidation.

Capital Adjustment Account

The Capital Adjustment Account relates to amounts set aside from capital resources to meet past expenditure.

Capital Expenditure

Expenditure on the acquisition of a non-current asset, which will be used in providing services beyond the current accounting period, or expenditure which adds to and not merely maintains the value of an existing non-current asset.

Capital Financing

The various methods used to finance capital expenditure such as borrowing, leasing, capital receipts, capital grants and use of revenue funding.

Capital Grants and Receipts Unapplied Account

The Capital Grants and Receipts Unapplied Account holds the grants and contributions received towards capital projects for which the Council has met the conditions that would otherwise require repayment of the monies but which have yet to be applied to meet expenditure. Capital receipts that are available to fund qualifying expenditure on transformation or service redesign projects are also held in this account.

Capital Receipt

Proceeds from the disposal of land or other non-current assets.

Capital Receipts Reserve

The Capital Receipts Reserve represents the proceeds from non-current asset disposals not yet used and are available to meet future capital investment.

Cash Flow Statement

Shows the changes in cash and cash equivalents by detailing the inflows and outflows of cash arising from revenue and capital transactions.

Common Good Fund

Presents a picture of the Council's stewardship of the assets under its control which do not form part of the core financial statements.

Community Assets

Assets that the Council intends to hold in perpetuity, that have no determinable useful life and that may have restrictions on their disposal, such as municipal parks.

Comprehensive Income & Expenditure Statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices (IFRS).

Corporate and Democratic Core

The Corporate and Democratic Core comprises all activities, which local authorities engage in specifically because they are elected multi-purpose authorities. The cost of these activities are therefore over and above those which would be incurred by a series of independent, single purpose, nominated bodies managing the same service.

Council Tax Income Account

Details the gross and net income from Council Tax.

Creditor

Amounts owed by the council for work done, goods received or services rendered within the accounting period, but for which payment has not been made by the end of that accounting period.

Current Service Cost (Pensions)

The increase in the present value of a defined benefit scheme's liabilities, expected to arise from employee service in the current period.

Debtor

Amount owed to the Council for works done, goods received or services rendered within the accounting period, but for which payment has not been received by the end of that accounting period.

Defined Benefit Pension Scheme

Pension schemes in which the benefits received by the participants are independent of the contributions paid and are not directly related to the investments of the scheme.

Depreciation

The measure of the cost of wearing out, consumption or other reduction in the useful economic life of the Council's non-current assets during the accounting period, whether from use, the passage of time or obsolescence through technical or other changes.

Discretionary Benefits (Pensions)

Retirement awards, which the employer has no legal, contractual or constructive obligation to award and are awarded under the Council's discretionary powers.

Employee Statutory Adjustment Account

The Employee Statutory Adjustment Account, which absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to and from the account.

Entity

A body corporate, partnership, trust, unincorporated association or statutory body that is delivering a service or carrying on a trade or business with or without a view to profit. It should have a separate legal personality and is legally required to prepare its own single entity accounts.

Events after the Balance Sheet Date

Are those events both favourable and unfavourable that occur between the Balance Sheet date and the date when the Annual Accounts are signed

Expenditure and Funding Analysis

Demonstrates to council tax and rent payers how the funding available to the Council (ie government grants, rents, council tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by the Council in accordance with generally accepted accounting practices.

Fair Value

The fair value of an asset is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial Instruments Adjustment Account

The Financial Instruments Adjustment Account is a balancing account to allow for differences in statutory requirements and proper accounting practices for lending and borrowing by the Council.

Finance Lease

A lease that transfers substantially all the risks and rewards of ownership of a non-current asset to the lessee.

General Fund

The General Fund encompasses all services areas (with the exception of the Council's housing stock) and is funded mainly by Government Grant and Council Tax.

Government Grants

Grants made by the Government towards either revenue or capital expenditure in return for past or future compliance with certain conditions relating to the activities of the Council. These grants may be specific to a particular scheme or may support the revenue or capital spend of the Council in general.

Gross Expenditure

This includes all expenditure attributable to the service and activity including employee costs, expenditure relating to premises and transport, supplies and services, third party payments, support services and capital charges.

Gross Income

This includes grant income and all charges to individuals and organisations for the direct use of the Council's services.

Group Accounts

Brings together Dundee City Council and its interests in entities which would be regarded as its subsidiaries or associates or joint ventures if the local authority was subject to the Companies Act.

Heritage Asset

An asset with historical, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.

Housing Revenue Account

Reflects the statutory requirement to separately account for local authority housing provision, as defined in the Housing (Scotland) Act 1987. It shows the major elements of housing revenue expenditure, and how these are met by rents, housing support grant and other income.

Impairment

A reduction in the value of a non-current asset to below its carrying amount on the Balance Sheet.

Infrastructure Assets

Assets belonging to the council represented by highways, footpaths and bridges.

Insurance Fund

The Insurance Fund covers the main classes of insurance and is earmarked for insurance purposes.

Intangible Assets

Non-monetary assets that do not have physical substance but are controlled by the Council as a result of past events.

Interest Cost (Pensions)

For a defined benefit scheme, the expected increase during the period of the scheme liabilities because the benefits are one period closer to settlement.

Inventories

Items of raw materials and stock the Council has procured and holds in expectation of future use. Examples are consumable stores, raw materials and products and services in intermediate stages of completion.

Liability

A liability is where the Council owes payment to an individual or another organisation. A current liability is an amount which will become payable or could be called in within the next accounting period e.g. creditors or cash overdrawn. A long term liability is an amount which by arrangement is payable beyond the next year at some point in the future or to be paid off by an annual sum over a period of time.

Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Council, analysed into usable reserves (i.e. those that can be applied to fund expenditure) and unusable reserves.

National Non-Domestic Rates Pool

All Non domestic Rates collected by local authorities are remitted to the national pool and thereafter distributed to Councils by the Scottish Government.

Net Book Value

The amount at which non-current assets are included in the Balance Sheet, i.e. their historical cost or current value less the cumulative amounts provided for depreciation.

Non Current Assets

These are created by capital expenditure incurred by the Council. They include property, vehicles, plant, machinery, roads, computer equipment etc.

Non Distributed Costs

Costs that cannot be allocated to specific services and are, therefore, excluded from the total cost relating to Service activity in accordance with the Service Reporting code of Practice. Charges for added pension years and early retirement are examples of these costs.

Non-Domestic Rate Income Account

Details the gross and net income from Non-Domestic Rates and the net contribution to the National Non-Domestic Rate Pool.

Notes to the Core Financial Statements and Other Various Accounts

These are intended to give the reader further information which is not separately detailed in the financial statements.

Operating Lease

A lease where the ownership of a non-current asset remains with the lessor.

Past Service Cost (Pensions)

For a defined benefit scheme, the increase in the present value of the scheme liabilities relating to employee service in prior periods arising in the current period as a result of the introduction of or improvement to retirement benefits.

Pension Reserve

The Pension Reserve arises from the IAS 19 account disclosures for retirement benefits and recognises the council's share of actuarial gains and losses in the Tayside Pension Fund and the change in the Council's share of the Pension Fund net liability chargeable to the Comprehensive Income and Expenditure Statement.

Pension Scheme Liabilities

The liabilities of a defined benefit pension scheme for outgoings due after the valuation date. The scheme liabilities, measured using the 'projected unit method' reflect the benefits that the employer is committed to provide for service up to the valuation date.

Post Employment Benefits

All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment (e.g. pensions in retirement).

Prior Year Adjustment

Material adjustments applicable to previous years arising from changes in accounting policies or from the correction of fundamental errors. This does not include normal recurring corrections or adjustments of accounting estimates made in prior years.

Provision

An amount put aside in the accounts for future liabilities or losses which are certain or very likely to occur but the amounts or dates or when they will arise are uncertain.

Public Works Loan Board (PWLb)

A Central Government Agency, which provides loans for one year and above to Councils at interest rates only based on those at which the Government can borrow itself

Rateable Value

The annual assumed rental of a non housing property, which is for national Non Domestic Rates purposes.

Related Parties

Entities or individuals that have the potential to control or influence the Council, or to be controlled or influenced by the Council.

Remuneration

All sums paid to or receivable by an employee and sums due by way of expenses allowances (as far as these sums are chargeable to UK income tax) and the money value of any other benefits received other than in cash.

Repairs and Renewal Fund

The Repairs and Renewal Fund provides resources for expenditure on the Council's assets.

Reserves

The accumulation of surpluses, deficits and appropriation over past years. Reserves of a revenue nature are available and can be spent or earmarked at the discretion of the Council. Some capital reserves such as the Revaluation Reserve cannot be used to meet current expenditure.

Residual Value

The net realisable value of an asset at the end of its useful life.

Revaluation Reserve

The Revaluation Reserve represents the store of gains on revaluation of fixed assets not yet realised through sale.

Revenue Expenditure

The day-to-day running costs associated with the provision of services.

Service Concession Arrangement

A contractual arrangement (or other arrangement that confers similar rights) between a local authority and an operator in which:

- a) the operator uses the service concession asset to provide a public service on behalf of the local authority for a specified period of time, and
- b) the operator is compensated for its services over the period of the service concession arrangement.

Significant Interest

The reporting authority is actively involved and is influential in the direction of an entity through its participation in policy and/or operational decisions.

Soft Loan

A loan made by the Council to another entity at an interest rate significantly below market interest rates.

Subsidiary

An entity over which the Council has overall control through the power to govern its financial and operating policies so as to obtain benefits from the entity's activities.

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Scrutiny Committee – Audit of the 2024/25 Annual Accounts of the registered charities administered by Dundee City Council

24 September 2025

Independent auditor's report

1. Our audit work on the 2024/25 annual accounts of the registered charities administered by Dundee City Council is now substantially complete. Subject to the receipt of revised annual accounts for final review, we anticipate being able to issue unqualified audit opinions in the independent auditor's reports on 29 September 2025. The proposed audit certificates are attached for Dundee City Council Charitable Trusts ([Appendix A](#)), the Lord Provost of Dundee Charity Fund ([Appendix B](#)), and Fleming Trust ([Appendix C](#)).

Annual Audit Report

2. Under International Standards on Auditing in the UK, we report specific matters arising from the audit of the annual accounts to those charged with governance of an audited body in sufficient time to enable appropriate action. For registered charities administered by Dundee City Council, the members of the Scrutiny Committee are those charged with governance. I present for the Scrutiny Committee's consideration our proposed annual report on the 2024/25 audit. Within this report, Exhibit 3 titled "Significant findings and key matters from the audit of the annual accounts" sets out the issues identified in respect of the registered charities administered by Dundee City Council annual accounts.

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

Unadjusted misstatements

4. We are required to report to those charged with governance all unadjusted misstatements, other than those below our reporting threshold, and request that they be corrected. As detailed in our Annual Audit Report, reportable errors totalling £2,627 were identified during the audit of Fleming Trust. Management corrected this misstatement, and as a result there are no unadjusted errors for Fleming Trust. There were no misstatements identified for either Dundee City Council Charitable Trusts or the Lord Provost of Dundee Charity Fund.

Fraud, subsequent events, and compliance with laws and regulations

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

Representations from Section 95 Officer

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

7. A template letter of representation is attached for Dundee City Council Charitable Trusts, Lord Provost of Dundee Charity Fund and Fleming Trust ([Appendix D](#)). The letter of representation for the council and the charitable trusts should be signed and returned to us by

the Section 95 Officer with the signed annual accounts prior to the independent auditor's report being certified.

Acknowledgement

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

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

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

Reporting on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the statement of accounts of Dundee City Council Charitable Trusts for the year ended 31 March 2025 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Receipts and Payments, the Statement of Balances and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and a receipts and payments basis

In my opinion the accompanying financial statements:

- properly present the receipts and payments of the Dundee City Council Charitable Trusts for the year ended 31 March 2025 and their statement of balances at that date; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulations 9(1),(2) and (3) of The Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Responsibilities of the trustees for the financial statements

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

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to

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

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

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

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

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

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

Reporting on other requirements

Other information

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

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

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

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

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

Matters on which I am required to report by exception

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

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

I have nothing to report in respect of these matters.

Use of my report

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

Fiona Owens CA
Senior Audit Manager
Audit Scotland
4th Floor, South Suite
The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

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

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

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

Reporting on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the statement of accounts of the Lord Provost of Dundee Charitable Fund for the year ended 31 March 2025 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Receipts and Payments, the Statement of Balances and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and a receipts and payments basis

In my opinion the accompanying financial statements:

- properly present the receipts and payments of the charity for the year ended 31 March 2025 and its statement of balances at that date; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulations 9(1),(2) and (3) of The Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Responsibilities of the trustees for the financial statements

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

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

Reporting on other requirements

Other information

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

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

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

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

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

Matters on which I am required to report by exception

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

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

I have nothing to report in respect of these matters.

Use of my report

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

Fiona Owens CA
Senior Audit Manager
Audit Scotland
4th Floor, South Suite
The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

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

Appendix C: Proposed Independent Auditor's Report for Fleming Trust

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

Reporting on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the statement of accounts of the Fleming Trust for the year ended 31 March 2025 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the charity as at 31 March 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of The Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern basis of accounting

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

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue to adopt the going

concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

Responsibilities of the trustees for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Procedures include:

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

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

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

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

Reporting on other requirements

Other information

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

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

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

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

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

Matters on which I am required to report by exception

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

- proper accounting records have not been kept; or

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

I have nothing to report in respect of these matters.

Use of my report

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

Fiona Owens CA
Senior Audit Manager
Audit Scotland
4th Floor, South Suite
The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

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

Appendix D: Letter of Representations (ISA (UK) 580) for Dundee City Council Charitable Trusts, Lord Provost of Dundee Charity Fund and Fleming Trust

To be reproduced on headed paper, signed by Section 95 Officer and provided to appointed auditor with signed set of charities 2024/25 annual accounts

Fiona Owens
Senior Audit Manager
Audit Scotland
4th Floor, South Suite
The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

Dear Fiona

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

Annual accounts 2024/25

1. This representation letter is provided about your audit of the annual accounts of Dundee City Council Charitable Trusts, the Lord Provost of Dundee Charity Fund and Fleming Trust for the year ended 31 March 2025 (the Trusts) or the purpose of expressing an opinion as to whether the financial statements properly presents the financial position of the Trusts as at 31 March 2025 and their receipts and payments, or incoming resources and application of resources, for the year then ended.

2. I confirm to the best of my knowledge and belief, and having made such enquiries as I considered necessary, the following representations given to you in connection with your audit of the Trusts annual accounts for the year ended 31 March 2025.

General

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

4. The information given in the Trustees' Reports present a balanced picture of the Trusts and is consistent with the financial statements.

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

Financial Reporting Framework

6. The financial statements have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973 including all relevant presentation and disclosure requirements. The financial statements also comply with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 and guidance issued by the Office of the Scottish Charity Regulator (OSCR).

7. Disclosure has been made in the financial statements of all matters necessary for them to properly present the transactions and state of affairs of each charity for the year ended 31 March 2025.

Accounting policies

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

Going Concern

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

Related party transactions

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

Events subsequent to the balance sheet date

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

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

Corporate governance

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

Fraud

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

Assets

15. The assets shown in the statement of balances or balance sheet at 31 March 2025 were owned by the Trusts. Assets are free from any lien, encumbrance or charge. There are no plans or intentions that are likely to affect the carrying value or classification of the assets within the financial statements.

Liabilities

16. All liabilities at 31 March 2025 of which I am aware have been reported in the financial statements.

Litigation and Claims

17. All known actual or possible legal claims have been disclosed to you and have been accounted for and disclosed in the financial statements.

Fraud

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

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

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

Laws and Regulations

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

Yours sincerely

Paul Thomson

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

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Dundee City Council Section 106 Charities

2024/25 Annual Audit Report



Prepared for Dundee City Council Section 106 Charities and the Controller of Audit
September 2025

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Accessibility

You can find out more and read this report using assistive technology on our website www.audit.scot/accessibility.

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Key messages

Audit of the annual accounts

- 1** All audit opinions stated that the annual accounts were free from material misstatement.
 - 2** There were no significant findings or key audit matters to report. All audit adjustments required to correct the financial statements were processed by the Dundee City Council Charitable Trusts, Lord Provost of Dundee Charity Fund and Fleming Trust.
-

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Introduction

Purpose of the Annual Audit Report

1. The purpose of this Annual Audit Report is to report the significant matters identified from the 2024/25 audit of Dundee City Council Charitable Trusts, Lord Provost of Dundee Charity Fund and Fleming Trust annual accounts.
2. The Annual Audit Report is addressed to Dundee City Council Charitable Trusts, Lord Provost of Dundee Charity Fund and Fleming Trust, hereafter referred to as 'the Trusts' and the Controller of Audit and will be published on Audit Scotland's website in due course.

Appointed auditor and independence

3. Fiona Owens, of Audit Scotland, has been appointed as external auditor of the Trusts for the period from 2024/25 until 2026/27. As reported in the Annual Audit Plan, Fiona Owens as engagement lead and the audit team are independent of the Trusts in accordance with relevant ethical requirements, including the Financial Reporting Council's Ethical Standard. There have been no developments since the issue of the Annual Audit Plan that impact on the continued independence of the engagement lead or the rest of the audit team from the Trusts, including no provision of non-audit services.

Scope of the audit

4. Due to the interaction of section 106 of the Local Government in Scotland Act 1973 with the charity's legislation, a separate independent auditor's report is required for the statement of accounts of each registered charity administered by the council, irrespective of the size of the charity.
5. The council administers seven charities registered under section 106 but is only required to produce three sets of accounts covering these. The Dundee City Council Charitable Trusts (incorporating four trust funds), and the Lord Provost of Dundee Charity Fund accounts were both prepared on a receipts and payments basis. The Fleming Trust accounts were required to be prepared on an accruals basis due to the size and asset base of the trust. The movement in the funds held by these charities during the year is shown in [Exhibit 1](#).
6. Our duties as auditors of the charities administered by Dundee City Council are to:

- express an opinion on whether the charity's financial statements properly present the charity's financial position and are prepared in accordance with charities legislation
- read the trustees' annual report and express an opinion as to whether it is consistent with the financial statements
- report on other matters by exception to the trustees and to the Office of the Scottish Charity Regulator (OSCR).

Exhibit 1

Movement in funds held by charities administered by Dundee City Council

Charitable Trust Fund	Scottish Charity Number	Opening balance at 1 April 2024 - £	Closing balance at 31 March 2025 - £
Belmont Trust Estate	SC018900	2,397,704	2,461,704
Camperdown Estate	SC018899	3,046,768	3,081,268
William Dawson Estate Trust	SC018920	195,917	196,215
Hospital Fund	SC018896	1,199,981	1,236,066
Total funds of Dundee City Council Charitable Trusts		6,837,370	6,975,253
Lord Provost of Dundee Charity Fund	SC027022	39,956	51,131
Fleming Trust	SC052182	8,738,171	8,932,056

Source: Trustees report and accounts for the year ended 31 March 2025

Acknowledgements

7. We would like to thank the Trusts and its staff, particularly those involved in preparation of the annual accounts, for their cooperation and assistance during the audit.

Audit of the annual accounts

Main judgements

All audit opinions stated that the annual accounts were free from material misstatement.

There were no significant findings or key audit matters to report. All audit adjustments required to correct the financial statements were processed by the Dundee City Council Charitable Trusts, Lord Provost of Dundee Charity Fund and Fleming Trust.

Audit opinions on the annual accounts

8. The trusts annual accounts were approved by the Scrutiny Committee on 24 September 2025 and certified by the appointed auditor on 29 September 2025. The Independent Auditor's Report is included in the Trusts annual accounts, and this reports that, in the appointed auditor's opinion, these were free from material misstatement.



Audit timetable

9. The unaudited annual accounts and all working papers were received on 30 May 2025 in accordance with the agreed audit timetable.

Audit Fee

10. The audit fee for the 2024/25 audit was reported in the Annual Audit Plan and was set at £8,100. There have been no developments that impact on planned audit work required, therefore the audit fee reported in the Annual Audit Plan remains unchanged.

Materiality

11. The concept of materiality is applied by auditors in planning and performing an audit, and in evaluating the effect of any uncorrected misstatements on the financial statements or other information reported in the annual accounts.

12. Broadly, the concept of materiality is to determine whether misstatements identified during the audit could reasonably be expected to influence the decisions of users of the annual accounts. Auditors set a monetary threshold when determining materiality, although some issues

may be considered material by their nature. Therefore, materiality is ultimately a matter of the auditor's professional judgement.

13. Materiality levels for the audit of the Trusts were determined at the risk assessment phase of the audit and were reported in the Annual Audit Plan, which also reported the judgements made in determining materiality levels. These were reassessed on receipt of the unaudited annual accounts. Materiality levels were updated and these can be seen in [Exhibit 2](#).

Exhibit 2

2024/25 Materiality levels for the trusts

Materiality	Dundee City Council Charitable Trusts	Lord Provost Charity Fund	Fleming Trust
Planning materiality: 2 per cent of net assets	£137,000	£1,020	£175,000
Performance materiality: 75 per cent of planning materiality	£103,000	£765	£131,00
Reporting threshold: 5 per cent of planning materiality	£7,000	£50	£9,000

Source: Audit Scotland

Significant findings and key audit matters

14. ISA (UK) 260 requires auditors to communicate significant findings from the audit to those charged as governance, which for the Trusts is the Trustees via the Dundee City Council Scrutiny Committee.

15. The Code of Audit Practice also requires public sector auditors to communicate key audit matters. These are the matters that, in the auditor's professional judgement, are of most significance to the audit of the financial statements and require most attention when performing the audit.

16. In determining key audit matters, auditors consider:

- Areas of higher or significant risk of material misstatement.
- Areas where significant judgement is required, including accounting estimates that are subject to a high degree of estimation uncertainty.

- Significant events or transactions that occurred during the year.

17. The significant findings and key audit matters to report are outlined in [Exhibit 3](#).

Exhibit 3

Significant findings and key audit matters

Significant findings and key audit matters	Outcome
Fleming Trust - Legal Fees At the time of producing the unaudited accounts, the legal fees incurred for the year were unknown and omitted. An invoice was subsequently received.	Management corrected the audited 2024/25 annual accounts for Fleming Trust to reflect this expenditure. This resulted in a decrease in Net Income of £2,627, with a compensating reduction in Net Assets.

Source: Audit Scotland

Qualitative aspects of accounting practices

18. ISA (UK) 260 also requires auditors to communicate their view about qualitative aspects of the trust’s accounting practices, including accounting policies, accounting estimates, and disclosures in the financial statements.

Accounting policies

19. The appropriateness of accounting policies adopted by the Trusts was assessed as part of the audit. These were considered to be appropriate to the circumstances of the Trusts, and there were no significant departures from the accounting policies set out in the Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

Accounting estimates

20. Accounting estimates are used in number of areas in the Trusts financial statements, including the valuation of land and buildings assets. Audit work considered the process management of the Trusts has in place around making accounting estimates, including the assumptions and data used in making the estimates, and the use of any management experts. Audit work concluded:

- There were no issues with the selection or application of methods, assumptions, and data used to make the accounting estimates, and these were considered to be reasonable.
- There was no evidence of management bias in making the accounting estimates.

Disclosures in the financial statements

21. The adequacy of disclosures in the financial statements was assessed as part of the audit and these were found to be appropriate.

Significant matters discussed with management

22. All significant matters identified during the audit and discussed with the Trusts management have been reported in the Annual Audit Report.

Audit adjustments

23. Audit adjustments were required to the financial statements of Fleming Trust to correct misstatements that were identified from the audit. Details of all audit adjustments are outlined in [Exhibit 4](#).

24. No audit adjustments were required to the financial statements of Dundee City Council Charitable Trusts or Lord Provost of Dundee Charity Fund greater than the reporting threshold of £7,000 or £50 respectively.

Exhibit 4 Audit adjustments

Details	Financial statements lines impacted	Statement of Financial Activities		Balance Sheet	
		Dr	Cr	Dr	Cr
Audit adjustments to financial statements		£	£	£	£
1. Legal Fees (Fleming Trust)					
	Legal Fees	2,627			
	Creditors falling due within one year				2,627

Source: Audit Scotland

25. Management of the Trusts processed audit adjustments for all misstatements identified greater than the reporting threshold. As a result, there are no uncorrected misstatement to report.

Significant risks of material misstatement identified in the Annual Audit Plan

26. Audit work has been performed in response to the significant risks of material misstatement identified in the Annual Audit Plan. The outcome of audit work performed is summarised in [Exhibit 5](#).

Exhibit 5**Significant risks of material misstatement to the financial statements**

Risk of material misstatement	Planned audit response	Outcome of audit work
Fraud caused by management override of controls Management is in a unique position to perpetrate fraud because of management's ability to override controls that otherwise appear to be operating effectively.	The audit team will: • Evaluate the design and implementation of controls over journal entry processing. • Make inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries. • Test journals entries, focusing on those that are assessed as higher risk, such as those affecting revenue and expenditure recognition around the year-end. • Evaluate significant transactions outside the normal course of business. • Assess the adequacy of controls in place for identifying and disclosing related party relationships and transactions in the financial statements. • Assess changes to the methods and underlying assumptions used to prepare accounting estimates and assess these for evidence of management bias.	Audit work performed found: • The design and implementation of controls over journal processing were appropriate. • No inappropriate or unusual activity relating to the processing of journal entries was identified from discussions with individuals involved in financial reporting. • No significant issues were identified from testing of journal entries. • No significant issues were identified from transactions outside the normal course of business. • The controls in place for identifying and disclosing related party relationships and transactions were adequate. • No significant issues were identified with changes to methods and underlying assumptions used to prepare accounting estimates and there was no evidence of management bias. Conclusion: no evidence of fraud caused by management override of controls.

Dundee City Council Section 106 Charities

2024/25 Annual Audit Report



Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN
Phone: 0131 625 1500 **Email: info@audit.scot**
www.audit.scot

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REPORT TO: SCRUTINY COMMITTEE - 24 SEPTEMBER 2025

REPORT ON: RESPONSE TO EXTERNAL AUDITOR'S ANNUAL AUDIT REPORT TO TRUSTEES OF DUNDEE CITY COUNCIL TRUST FUNDS FOR THE YEAR TO 31 MARCH 2025

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 279-2025

1. PURPOSE OF REPORT

This report is a response to the report prepared by the Council Trust Funds' external auditor on the audit of Dundee City Council Trust Funds for the year to 31 March 2025. A copy of following draft reports are also included on the agenda as separate items:

- External auditor's report (Report No 278-2025);
- Audited Dundee City Council Charitable Trusts Annual Accounts 2024/25 (Report No 275-2025);
- Audited Lord Provost of Dundee Charity Fund Annual Accounts 2024/25 (Report No 276-2025); and
- Audited Fleming Trust Annual Accounts 2024/25 (Report No 277-2025).

2. RECOMMENDATIONS

It is recommended that the Committee:-

- (i) notes the information in this report and the contents of the draft external auditor's report, and in particular that Audit Scotland have indicated they will issue an unqualified audit opinion on each of the 2024/25 Annual Accounts noted above;
- (ii) authorises the Executive Director of Corporate Services to arrange for each of the Audited Annual Accounts noted above to be signed and then returned to the external auditor; and
- (iii) requires the Executive Director of Corporate Services thereafter to arrange for the above Annual Accounts, including copies of all audit certificates and accounts of the Council's subsidiary bodies to be published on the Council's website.

3. FINANCIAL IMPLICATIONS

- 3.1 There are no direct financial implications arising from this report. A summary of the key figures reported in the accounts are noted in paragraph 4.7 of this report.

4. MAIN TEXT

4.1 Introduction

External audit is one of the key methods by which the activities and performance of local government are independently scrutinised and reported upon. The external audit of Dundee City Council trust funds for the financial year 2024/2025 was carried out by Ms Fiona Owens, Senior Audit Manager (Audit Services), Audit Scotland. Local authority external auditors are appointed for a five-year period and financial year 2024/2025 marked the third year of Audit Scotland's current appointment.

- 4.2 The accounts were submitted to Audit Scotland on 25 June 2025. The accounts have since been subject to a three-week statutory public inspection period and no objections were received.

4.3 External Auditor's Report

Audit Scotland have now completed their audit work and, in accordance with auditing standards (ISA 260: Communication with those charged with governance), are required to report the outcome of their work in relation to their review of the financial statements, prior to formally issuing their audit opinions. This requirement has been addressed in the External Auditor's report.

- 4.4 The report summarises the findings in relation to the overall audit of the Council trust funds for the year ended 31 March 2025. The attached report describes the scope of audit work undertaken during 2024/2025 and any issues arising from that work.

4.5 Audit Adjustments

Through the audit process, a technical adjustment to the Fleming Trust financial statements was identified. Further details are provided in Exhibit 4 on page 9. This minor adjustment related to an accrual for legal fees.

4.6 Summary of Key Figures

The usable funds for the charities referenced in this report are as follows:-

Usable Funds	2024/2025 £'000	2023/2024 £'000
Dundee City Council Charitable Trusts	1,046	1,010
Lord Provost of Dundee Charity Fund	51	40
Fleming Trust	1,091	689
Total Usable Funds	2,188	1,739

4.7 Action Plan

The external auditor has made no recommendations arising from the 2024/2025 Council trust funds audits.

4.8 Conclusions

It is pleasing to note that the overall findings and conclusions are satisfactory. In particular, the Council can take encouragement from the fact that unqualified audit opinions will be issued.

4.9 Next Steps

Following the approval of the accounts for signature, the relevant statements of the Annual Accounts will be signed and dated by the appropriate officers and then returned to the external auditor. In line with statutory requirements, copies of the Annual Accounts together with the audit certificate and accounts of the Council's subsidiary bodies will then be published on the Council's website.

5. POLICY IMPLICATIONS

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

6. CONSULTATIONS

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

7. BACKGROUND PAPERS

None.

PAUL THOMSON
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

DATE: 17 SEPTEMBER 2025

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**DUNDEE CITY COUNCIL
CHARITABLE TRUSTS**

**ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025**

AUDITED

September 2025

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DUNDEE CITY COUNCIL CHARITABLE TRUSTS

ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

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TRUSTEES' ANNUAL REPORT

LEGAL & ADMINISTRATIVE INFORMATION

Trustees

The Trustees of the Dundee City Council Charitable Trusts are the 29 councillors of Dundee City Council. Councillors are elected to serve for a period of five years. The last full Council election was held on 5 May 2022 and the first statutory meeting of the new Council took place on 23 May 2022. The following Councillors were in office during the 2024/25 financial year:

Bill Campbell (Lord Provost) Mark Flynn (Leader of the Administration from 1 September 2024) John Alexander (Councillor and Leader of the Administration to 28 August 2024) The late Charles Malone (until 29 July 2024) Daniel Coleman Stewart Hunter Bailie Kevin Keenan Wendy Scullin Roisin Smith Siobhan Tolland Michael Crichton Nadia El-Nakla Bailie Fraser Macpherson Heather Anderson George McIrvine	Bailie Helen Wright Georgia Cruickshank James Black (from 3 October 2024) Ken Lynn Lee Mills (from 3 October 2024) Lynne Short Jax Finnegan Steven Rome Bailie Willie Sawers Bailie Will Dawson Dorothy McHugh Bailie Christina Roberts Kevin Cordell Craig Duncan Bailie Derek Scott Pete Shears

Charitable Trusts' Principal Address

c/o Dundee City Council
 City Square Complex
 Dundee

External Auditor

The Charitable Trusts' appointed external auditor is:
 Fiona Owens CA – Senior Audit Manager
 Audit Scotland
 4th Floor
 8 Nelson Mandela Place
 Glasgow
 G2 1BT

Banking Arrangements

The Charitable Trusts do not have a separate, dedicated bank account. Rather, funds are managed through Dundee City Council's main bank account. The Council's bankers are:

Royal Bank of Scotland plc
 3 High Street
 Dundee
 DD1 9YL

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ANNUAL REPORT 2024/25**Administrative Details**

During the 2024/25 financial year, Dundee City Council acted as sole trustee for 4 Charitable Trusts that were registered with the Office of the Scottish Charity Regulator (OSCR). The Council administers these funds but the associated assets are not available to the Council and have not been included in the Council's Single Entity Balance Sheet. The Charitable Trusts are subsidiaries of Dundee City Council but are not included in the Council's Group Balance Sheet on grounds of immateriality.

Objectives & Activities

The key objectives and activities of the 4 registered Charitable Trusts for which the City Council acted as sole trustee during the 2024/25 financial year are listed below. The trustees have not identified any major risks to which the Charitable Trusts and Endowments are exposed.

Belmont Trust Estate (SC018900)

Estate gifted in 1918 by the late Mrs Emma Caird or Marryat of Roseangle, Dundee, in memory of her husband and her brothers, to be utilised for the benefit of the citizens of Dundee.

Camperdown Estate Trust (SC018899)

Purchased in the interest and for the benefit of the Community on 11 November 1945, at a cost of £58,100 which was provided by the Sir James Caird Land Acquisition Fund.

William Dawson Trust (SC018920)

Residue of estate handed over to the Lord Provost and Magistrates of the City of Dundee as trustees in 1948, for the purpose of acquiring ground for use as playing fields in wards X and XI.

Hospital Fund (SC018896)

Issued under The Dundee Churches and Hospital Act 1864, "for behoof of the Poor of the Town".

Structure, Governance & Management Arrangements

During the 2024/25 financial year, the City Council was, in law, the sole trustee for the 4 registered Charitable Trusts listed above. Elected members of the Council are automatically appointed as trustees on an ex-officio basis. In most cases, however, responsibility for the day-to-day management of these trusts and endowments has been delegated to the relevant chief officers of the Council. The exception to this, where the elected members of the Council have a more active role as trustees, is as follows:

Hospital Fund (SC018896)

The Council's City Governance Committee (previously the Policy and Resources ("P&R") Committee) meets annually to approve disbursements from the Hospital Fund. All 29 members of the Council sit on the City Governance Committee, which is chaired by the Leader of the Administration. At a meeting held on 14 January 2013 it was agreed that no new applications would be invited and that instead a budget of £25,000 would be provided to pilot a targeted welfare benefit advice service in Dundee in 2013/14. It was subsequently agreed to extend this pilot to 31 March 2017.

A peer review was carried out in March 2017 and it was agreed to continue the project for a further three financial years, to 31 March 2020. The P&R Committee held on 24 August 2020 agreed to extend this funding to 31 March 2021. At the P&R Committee on 31 October 2022, retrospective approval was given for the 2021/22 payment, as well payments for 2022/23. The P&R Committee held on 15 May 2023 agreed to increase the amount to £30,000 and to extend the funding to 31 March 2026.

Financial Administration

The financial administration of the 4 registered Charitable Trusts for which the City Council acted as sole trustee during the 2024/25 financial year is undertaken in accordance with the Council's approved Financial Regulations. The Financial Regulations contain the following specific references to Trusts and Charitable Funds:

"11.19 The Executive Director of Corporate Services shall ensure the proper and safe custody and control of all charitable funds held by the Council and shall ensure that all expenditure is in accordance with the conditions of the trustees etc.

All officers acting as trustees by virtue of their official position shall deposit all securities etc relating to the trust or charitable fund with the Executive Director of Corporate Services.

All investments of money shall be made by the Executive Director of Corporate Services in the name of Council. Any investments made will be made in accordance with the policy determined by the Policy and Resources Committee.

The Executive Director of Corporate Services and other relevant officers shall ensure compliance with the requirements of the Office of the Scottish Charities Regulator (OSCR)."

Financial Review

For the 2024/25 financial year, the total net surplus on the 4 registered Charitable Trusts was £36,382 (2023/24: £48,294). Total receipts were £93,053 (2023/24: £92,064) comprising investment income of £44,055 (2023/24: £35,113) and property rental income of £48,998 (2023/24: £56,951). Investment income relates solely to interest on surplus funds that are deposited with Dundee City Council's Loans Fund. Property rental income relates to income from property leases at Belmont Trust Estate of £8,222 (2023/24: £8,222) and rental income from the buildings in Reform Street Dundee that are owned by the Hospital Fund of £40,776 (2023/24: £48,729). Total payments were £56,671 (2023/24: £43,770), see below for further details. The net surplus of £36,382 (2023/24: £48,294) resulted in total usable charity funds of £1,046,091 as at 31 March 2025 (£1,009,708 as at 31 March 2024). Cash-backed reserves (i.e. Capital Account and Surplus Income) are operated in accordance with the charities' aims and objectives, as set out in the original founding documents. These documents will usually include restrictions on how such funds can be applied.

Achievements & Performance

During the 2024/25 financial year, within the total payments of £56,671 (2023/24: £43,770), the following costs were incurred in pursuit of the charities' objectives:

Belmont Trust Estate – £6,980 (2023/24: £8,464) was spent on repairs and maintenance and other property costs.

Hospital Fund – actual expenditure relates mainly to grants to local pensioners in financial need during the 2024/25 financial year was £1,760 (22 grants of £80) (2023/24: £2,240 (28 grants of £80)). A contribution from the fund of £30,000 was provided towards a targeted welfare benefit advice service in Dundee. In addition, expenditure of £8,154 (2023/24: £3,029) was incurred on property costs related to the buildings in Reform Street Dundee that are owned by the Hospital Fund.

Trustee Remuneration & Expenses

No trustees received any remuneration or expenses during the 2024/25 financial year (2023/24: £nil).

Signed on behalf of the trustees

Bailie Willie Sawers
Senior Councillor with responsibility for Finance
Dundee City Council
24 September 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

Under charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements which properly present an analysis of the incoming/outgoing cash and bank transactions for each financial year on a receipts and payments basis.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities;

The trustees are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, and regulation 9(1), (2), and (3) of The Charities Accounts (Scotland) Regulations 2006 (as amended). They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Approved by the trustees on 24 September 2025 and signed on their behalf by:

Bailie Willie Sawers
Senior Councillor with responsibility for Finance
Dundee City Council

FINANCIAL STATEMENTS INTRODUCTION

Basis of Preparation

The following accounts have been prepared in accordance with the "connected charities" provision contained in Regulation 7 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Connected charities are defined as those having common or related charitable purposes, or charities which have common control or unity of administration. The City Council considers the 4 Charitable Trusts for which it acted as sole trustee during the 2024/25 financial year to be "connected" and has therefore taken the opportunity to prepare accounts collated into a single document.

External Audit

The financial statements are the subject of an external audit. Also, details of Charitable Trust Funds are incorporated within the City Council's Annual Accounts. The financial statements are the subject of an external audit. Also, details of Charitable Trust Funds are incorporated within the City Council's Annual Accounts.

Further Information

Any queries regarding this document should, in the first instance, be addressed to:

Francois de Villiers FCA, CA(SA)
Accounting Strategy Manager, Corporate Services
Dundee City Council
50 North Lindsay Street
Dundee
DD1 3RF
(Email: francois.devilliers@dundeecity.gov.uk)
(Telephone: 07385 931075)

DUNDEE CITY COUNCIL CHARITABLE TRUSTS

STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31 MARCH 2025

	Belmont Trust Estate £	Camperdown Estate Trust £	William Dawson Trust £	Hospital Fund £	Total £
<u>Receipts</u>					
Investment Income	8,037	109	298	35,611	44,055
Rent	8,222	0	0	40,776	48,998
	16,259	109	298	76,387	93,053
<u>Payments</u>					
Charitable Activities	16,259	109	0	40,303	56,671
	16,259	109	0	40,303	56,671
Surplus / (Deficit) for the Year	0	0	298	36,084	36,382

These funds are deemed to be restricted, permanent endowment (capital) funds.

DUNDEE CITY COUNCIL CHARITABLE TRUSTS

STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31 MARCH 2024

	Belmont Trust Estate £	Camperdown Estate Trust £	William Dawson Trust £	Hospital Fund £	Total £
<u>Receipts</u>					
Investment Income	242	0	285	34,586	35,113
Rent	8,222	0	0	48,729	56,951
	8,464	0	285	83,315	92,064
<u>Payments</u>					
Charitable Activities	8,464	0	0	35,306	43,770
	8,464	0	0	35,306	43,770
Surplus / (Deficit) for the Year	0	0	285	48,009	48,294

These funds are deemed to be restricted, permanent endowment (capital) funds.

DUNDEE CITY COUNCIL CHARITABLE TRUSTS

STATEMENT OF BALANCES AT 31 MARCH 2025

	Belmont Trust Estate £	Camperdown Estate Trust £	William Dawson Trust £	Hospital Fund £	Total £
Opening Cash Balance	0	0	0	0	0
Surplus / (Deficit) for the Year	0	0	298	36,084	36,382
Transfer (to) / from DCC Loans Fund	0	0	(298)	(36,084)	(36,382)
Closing Cash Balance	0	0	0	0	0
<u>Investments</u>					
Funds Deposited with DCC Loans Fund	185,495	2,534	7,228	850,834	1,046,091
Investment Properties	0	0	0	384,000	384,000
<u>Tangible Fixed Assets</u>					
Operational Land and Buildings	2,276,209	3,078,734	188,987	1,232	5,545,162
	2,276,209	3,078,734	188,987	1,232	5,545,162
Total net assets	2,461,704	3,081,268	196,215	1,236,066	6,975,253

The notes at pages 13 to 14 form part of these accounts.

The unaudited accounts were authorised for issue on 17 June 2025 and the audited accounts were authorised for issue on 24 September 2025 and signed on their behalf by:-

Baillie Willie Sawers
Senior Councillor with responsibility for Finance
Dundee City Council

DUNDEE CITY COUNCIL CHARITABLE TRUSTS

STATEMENT OF BALANCES AT 31 MARCH 2024

	Belmont Trust Estate £	Camperdown Estate Trust £	William Dawson Trust £	Hospital Fund £	Total £
Opening Cash Balance	0	0	0	0	0
Surplus / (Deficit) for the Year	0	0	285	48,009	48,294
Transfer (to) / from DCC	0	0	(285)	(48,009)	(48,294)
Closing Cash Balance	0	0	0	0	0
<u>Investments</u>					
Funds Deposited with DCC	185,495	2,534	6,930	814,749	1,009,708
Investment Properties				384,000	384,000
<u>Tangible Fixed Assets</u>					
Operational Land and Buildings	2,209,209	3,044,234	188,987	1,232	5,443,662
	2,209,209	3,044,234	188,987	1,232	5,443,662
Total net assets	2,394,704	3,046,768	195,917	1,199,981	6,837,370

The notes at pages 13 to 14 form part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies

The following accounting policies set out the basis upon which the financial statements have been prepared and explain the accounting treatment of both general and specific items.

General Basis of Preparation

These accounts have been prepared on a receipts and payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as Amended).

Tangible Fixed Assets - Basis of Valuation

The following valuation bases have been used to value the different types of tangible fixed asset shown in the Statement of Balances:

Operational Land & Buildings - considered to be specialised assets for which there is no market value, therefore valued at depreciated replacement cost with appropriate allowance for age and obsolescence.

Non-Operational Investment Properties - open market value.

Tangible fixed assets were re-valued, as required, at 31 March 2025. The valuations were carried out by Mr Alastair Kay BSc MRICS, an employee of the City Council's City Development Service.

Investments

There are no external investments, rather all surplus funds are deposited in earmarked accounts held by Dundee City Council. All such deposits are valued at historical cost in the Balance Sheet.

Going Concern

The accounts are prepared on the going concern basis as it is considered by the trustees that the remaining Charitable Trusts are financially sustainable for the foreseeable future.

2 Analysis of Tangible Fixed Assets

The assets owned by these charities are as follows:

Belmont Trust Estate - Estate of Belmont, Belmont Castle, Belmont Camp, Stables Flats x3

Camperdown Estate Trust - Estate of Camperdown, Mansion House, Golf Course and Club Rooms, Kiosks x2, Recreational Facilities, Gardener's Cottage

William Dawson Trust - Dawson Park & Extension, Pavilion, Car Park, Entrance Gate

Hospital Fund - Properties at 63 Reform Street Dundee, Ground at Stirling Street, Stirling Park and Carmichael Street Dundee

3 Investment Income

There are no external investments, rather all surplus funds are deposited in earmarked accounts held by Dundee City Council. Interest receivable is based on the Loans Fund interest on revenue balances (IORB) rate and is paid twice yearly. The average IORB rate during 2024/25 was 4.25% (2023/24: 4.23%).

4 Governance Costs

Any governance costs associated with the management of charitable funds (including administration costs and the relevant share of the annual audit fee) are absorbed by Dundee City Council. These costs are estimated at £5,300 in 2024/25, being £2,000 administration costs and £3,300 audit fee. (2023/24: £5,000 being £2,000 administration costs and £3,000 audit fee).

5 Related Party Transactions

During 2024/25, all surplus funds were deposited in earmarked accounts held by Dundee City Council. At 31 March 2025, a total balance of £1,046,091 (31 March 2024: £1,009,708) was held with Dundee City Council. Investment income of £44,055 (2023/24: £35,113) was received from Dundee City Council's Loans Fund during 2024/25.

6 Comparative Information

The 2023/24 Statement of Receipts and Payments and the Statement of Balances as at 31 March 2024 are shown on pages 10 and 12 respectively, for comparative purposes.

7 Events After the Reporting Period

There were no events that occurred between 1 April 2025 and 24 September 2025 that would require adjustment to the 2024/25 financial statements. The latter date is the date on which the audited accounts were authorised for issue by the Senior Councillor with responsibility for Finance.

8 Parent Entity

The Dundee City Council Charitable Trusts are subsidiaries of Dundee City Council, a local authority established under the Local Government etc. (Scotland) Act 1994. Copies of the Group Accounts of Dundee City Council can be obtained from the contact listed on page 8.

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

Reporting on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the statement of accounts of Dundee City Council Charitable Trusts for the year ended 31 March 2025 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Receipts and Payments, the Statement of Balances and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and a receipts and payments basis

In my opinion the accompanying financial statements:

- properly present the receipts and payments of the Dundee City Council Charitable Trusts for the year ended 31 March 2025 and their statement of balances at that date; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulations 9(1),(2) and (3) of The Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Responsibilities of the trustees for the financial statements

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

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

Reporting on other requirements

Other information

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

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

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

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

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

Matters on which I am required to report by exception

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

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or

- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Use of my report

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

Fiona Owens CA
Senior Audit Manager
Audit Scotland
4th Floor, South Suite
The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

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

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SCOTTISH CHARITY NUMBER: SC027022

LORD PROVOST OF DUNDEE CHARITY FUND

TRUSTEES REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

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LORD PROVOST OF DUNDEE CHARITY FUND**SCOTTISH CHARITY NUMBER SC027022****Trustees' Report and accounts for the year ended 31 March 2025**

The Lord Provost of Dundee Charity Fund was established for the benefit of the public of the City of Dundee. The purposes of the Charity Fund, as recorded in the Deed of Trust, are to relieve the poverty and advance the education of, and to provide recreational or leisure facilities in the interests of social welfare for the public of the City of Dundee and in order to make donations to registered charities and to Scottish Charities. The Trustees may have sole discretion and by unanimous decision after meeting all liabilities, pay out the whole value of the Trust Fund to or for behoof of such one or more of the purposes as they in their sole discretion shall decide and so bring the Trust to an end. The Trustees have not defined a minimum reserve as there is no requirement to do so and view any risk as limited.

During the 2024/25 financial year, the charity continued to provide financial assistance to the public of the City of Dundee, through donations to registered charities, senior citizen groups and vulnerable groups within Dundee. The Lord Provost held a Charity Dinner on the 17th May as the Annual Charity Ball has not been held since the Covid 19 Pandemic. The dinner is designed to engage with the local community and raise funds for the charity to spend in pursuit of its charitable objectives. The charity spent £9,626 to hold the dinner and managed to raise £18,420 which will now be used to further these objectives.

The account at year end reported a profit of £11,175 (2023/24 -£1,880) which increased funds available leaving a closing balance of £51,131 (2023/24 £39,956).

Next year, we will continue with our fundraising activities to provide financial assistance to the public of the City of Dundee, through donations to registered charities, senior citizen groups and vulnerable groups within Dundee.

The Charity's Trustees are defined in the Deed of Trust. The Charity's Trustees are:

- Lord Provost (Bill Campbell)
- Chief Executive (Gregory Colgan)
- Head of Democratic and Legal Services (Roger Mennie)

The Charity can be contacted at the following address, The Lord Provost, City Chambers, 21 City Square, DUNDEE, DD1 3BT.

The accounts for the year are attached and form part of this report.

This report was approved by the Trustees on 24 September 2025.

Signed, on behalf of the Trustees

Gregory Colgan
Trustee

LORD PROVOST OF DUNDEE CHARITY FUND

SCOTTISH CHARITY NUMBER SC027022

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

Under charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements which properly present an analysis of the incoming/outgoing cash and bank transactions for each financial year on a receipts and payments basis.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities

The trustees are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, and regulation 9(1), (2), and (3) of The Charities Accounts (Scotland) Regulations 2006 (as amended). They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Approved by the trustees on 24 September 2025 and signed on their behalf by:

Gregory Colgan
Trustee

LORD PROVOST OF DUNDEE CHARITY FUND

SCOTTISH CHARITY NUMBER SC027022

STATEMENT OF RECEIPTS AND PAYMENTS FOR YEAR ENDED 31 MARCH 2025

<u>Receipts</u>	Note	2024/25	2023/24
		£	£
Grants/Donations	4	3,150	-
Fundraising Charity Dinner	5	18,420	-
Interest on fund Dundee City Council	6	1,275	1,272
Bank Interest	6	<u>256</u>	<u>148</u>
Total Receipts		<u>23,101</u>	<u>1,420</u>
<u>Payments</u>			
Donations/Grants	4	2,300	3,300
Fundraising Dinner	5	9,626	-
Total Payments		<u>11,926</u>	<u>3,300</u>
<u>Surplus / (Deficit) For Year</u>		<u>11,175</u>	<u>(1,880)</u>

STATEMENT OF BALANCES AS AT 31 MARCH 2025

<u>Funds Reconciliation</u>	2024/25	2023/24
	£	£
Cash At Bank 01/04/24 (01/04/23)	39,956	41,836
Surplus/ (Deficit) for year	<u>11,175</u>	<u>(1,880)</u>
	<u>51,131</u>	<u>39,956</u>
<u>Bank & Cash Balances</u>		
Bank Accounts	21,131	9,956
Temporary Loan Invested with Dundee City Council	<u>30,000</u>	<u>30,000</u>
	<u>51,131</u>	<u>39,956</u>

All Funds are unrestricted

The Notes on page 4 form an integral part of these accounts.

The audited accounts were authorised for issue on 30 May 2025, and the audited accounts were authorised for issue on 24 September 2025 and signed on their behalf by: -

Gregory Colgan

Trustee

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Notes to the Accounts – For year Ended 31 March 2025

1 Basis of Accounting

These accounts have been prepared on the Receipts & Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as Amended).

2 Nature Purpose of funds

All funds are unrestricted and may be used at the discretion of the trustees in furtherance of the objects of the Charity.

3 Remuneration & Expenses

No remuneration or Expenses were paid to a charity trustee, or anyone connected to a charity trustee.

4 Grants & Donations

The charity made 6 donations to organisations totalling £2,300 (2023/24: 7 charity donations totalling £3,300). The charity dinner received £3,150 in donations (2023/24: nil donations)

5 Fundraising

The Lord Provost hosted a Charity Dinner to re-engage the Citizens of Dundee with the Lord Provost Charity Fund. This was postponed to 17th May 2024 with the £1,000 deposit (2022/23) transferred to the new date. A successful dinner was well supported raising additional income to the Fund.

6 Interest Receivable

The Charity has £30,000 deposited with Dundee City Council and receives interest on this alongside bank interest.

7 Governance Costs

The financial statements are the subject of a separate external audit. Any costs associated with the Charity Fund (incl. admin and relevant share of annual audit fee) are absorbed by Dundee City Council. The cost of audit to Dundee City Council for 2024/25 is £1,800 and the estimated notional cost of staff time is £130, (2023/24: audit fee £1,500 and staff time £100). The auditors for 2024/25

Audit Scotland

Fiona Owens CA – Senior Audit Manager

4th Floor 8 Nelson Mandela Place

Glasgow

G2 1BT

8 Parent Entity

The Lord Provost of Dundee Charity Fund is a subsidiary of Dundee City Council, a local authority established under the Local Government etc. (Scotland) Act 1994. Copies of the Group Accounts of Dundee City Council can be obtained from the contact listed in note 9.

9 Events after the reporting date

There are no events that occurred between 1 April 2025 and 24 September 2025 that would require adjustment to the 2024/25 financial statements.

Any queries regarding this document should, in the first instance, be addressed to:

Elaine Urquhart

Corporate Finance

Dundee City Council

50 North Lindsay Street

Dundee

DD1 1NZ

(Email: elaine.urquhart@dundeecity.gov.uk)

(Telephone: 01382-433355)

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

Reporting on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the statement of accounts of the Lord Provost of Dundee Charitable Fund for the year ended 31 March 2025 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Receipts and Payments, the Statement of Balances and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and a receipts and payments basis

In my opinion the accompanying financial statements:

- properly present the receipts and payments of the charity for the year ended 31 March 2025 and its statement of balances at that date; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulations 9(1),(2) and (3) of The Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Responsibilities of the trustees for the financial statements

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

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to

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

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

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

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

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

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

Reporting on other requirements

Other information

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

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

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

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

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

Matters on which I am required to report by exception

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

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

I have nothing to report in respect of these matters.

Use of my report

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

Fiona Owens CA
Senior Audit Manager
Audit Scotland
4th Floor, South Suite
The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

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



FLEMING TRUST

SC052182

ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

AUDITED

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FLEMING TRUST

ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

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TRUSTEES' ANNUAL REPORT

LEGAL & ADMINISTRATIVE INFORMATION

Trustees

The Trustees of the Fleming Trust are the 29 councillors of Dundee City Council. Councillors are elected to serve for a period of five years. The last full Council election was held on 5 May 2022 and the first statutory meeting of the new Council took place on 23 May 2022. The following Councillors were in office during the 2024/25 financial year:

Bill Campbell (Lord Provost) Mark Flynn (Leader of the Administration from 1 September 2024) John Alexander (Councillor and Leader of the Administration to 28 August 2024) The late Charles Malone (until 29 July 2024) Daniel Coleman Stewart Hunter Bailie Kevin Keenan Wendy Scullin Roisin Smith Siobhan Tolland Michael Crichton Nadia El-Nakla Bailie Fraser Macpherson Heather Anderson George McIrvine	Bailie Helen Wright Georgia Cruickshank James Black (from 3 October 2024) Ken Lynn Lee Mills (from 3 October 2024) Lynne Short Jax Finnegan Steven Rome Bailie Willie Sawers Bailie Will Dawson Dorothy McHugh Bailie Christina Roberts Kevin Cordell Craig Duncan Bailie Derek Scott Pete Shears

Principal Address

c/o Dundee City Council
 City Square Complex
 Dundee

External Auditor

The appointed external auditor is:
 Fiona Owens CA – Senior Audit Manager
 Audit Scotland
 4th Floor
 8 Nelson Mandela Place
 Glasgow
 G2 1BT

Banking Arrangements

Royal Bank of Scotland plc
 3 High Street
 Dundee
 DD1 9YL

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ANNUAL REPORT 2024/25

Administrative Details

During the 2024/25 financial year, Dundee City Council acted as sole trustee for the Fleming Trust. The Council administers the Fleming Trust's funds but the associated assets are not available to the Council and have not been included in the Council's Single Entity Balance Sheet. The Fleming Trust is a subsidiary of Dundee City Council and is included in the Council's Group Balance Sheet.

The Fleming Trust was registered with the Office of the Scottish Charity Regulator (OSCR) on 12 December 2022 with charity registration number SC52182. There was no change to the Fleming Trust's objectives, governance arrangements and activities upon registration.

Objectives & Activities

Estate gifted in 1929 by the late Robert Fleming Esq. with the following objects: "the clearance and demolition of slum dwelling houses and the provision of suitable accommodation for re-housing the displaced occupants of slum property in Dundee, and failing them, other persons residing or wishing to take up residence in Dundee... at rents reasonably within the capacity of the beneficiaries to pay."

The Fleming Trust's funds derive from this expendable endowment. There are restrictions as to how the income derived from this is spent.

Structure, Governance & Management Arrangements

During the 2024/25 financial year, the City Council was, in law, the sole trustee for the Fleming Trust. Elected members of the Council are automatically appointed as trustees on an ex-officio basis. "Dundee City Council as Fleming Trustees" meets typically a couple of times a year.

The Fleming Trust is governed by a Supervisory Committee comprising the Lord Provost, a Councillor and a number of individuals external to the Council. The Supervisory Committee is assisted by Council officers and an external solicitor as Clerk. The Supervisory Committee typically meets once a year.

The responsibility for day-to-day management of the Trust has been delegated to the relevant chief officers of the Council.

Risk

The trustees have not identified any major risks to which the Fleming Trust is exposed.

Financial Administration

Dundee City Council acted as sole trustee during the 2024/25 financial year. The financial administration of the Fleming Trust is undertaken in accordance with the Council's approved Financial Regulations. The Financial Regulations contain the following specific references to Trusts and Charitable Funds:

"11.19 The Executive Director of Corporate Services shall ensure the proper and safe custody and control of all charitable funds held by the Council and shall ensure that all expenditure is in accordance with the conditions of the trustees etc.

All officers acting as trustees by virtue of their official position shall deposit all securities etc relating to the trust or charitable fund with the Executive Director of Corporate Services.

All investments of money shall be made by the Executive Director of Corporate Services in the name of Council. Any investments made will be made in accordance with the policy determined by the Policy and Resources Committee.

The Executive Director of Corporate Services and other relevant officers shall ensure compliance with the requirements of the Office of the Scottish Charities Regulator (OSCR)."

Financial Review

For the 2024/25 financial year, the total net surplus was £191,258 (2023/24: surplus of £248,584). Total income was £489,835 (2023/24: £514,361) comprising property rental income of £458,134 (2023/24: £422,652) and investment income of £31,701 (2023/24: £91,709). Property rental income relates to rents for 104 dwellings, at rates similar to those charged by Dundee City Council's Housing Revenue Account. Investment income relates solely to interest on surplus funds that are deposited with Dundee City Council's Loans Fund.

Total expenditure was £298,577 (2023/24: £265,777). This related mainly to repairs and maintenance costs of £68,333 (2023/24: £62,434), lost rents of £6,085 (2023/24: £15,218) and depreciation of £210,656 (2023/24: £171,256).

Depreciation is a non-cash expense, and a requirement in order to comply with the Charities Statement of Recommended Practice (SORP) and FRS102.

Fleming Trust owns and rents out 104 properties. It also owns the sheltered lounge at Fleming Gardens/ Hindmarsh Avenue.

Total cash generated in 2024/25 was £385,538. Cash generated from operating activities was £353,837 (2023/24: £181,848) and investment income amounted to £30,701 (2023/24: £91,709).

Total charity funds amounted to £8,929,429 as at 31 March 2025 (£8,738,171 as at 31 March 2024). The entire fund is an expendable endowment fund. Cash-backed reserves are operated in accordance with the charity's aims and objectives, as set out in the original founding document. The charity's working capital is represented by its net current assets, amounting to £1,091,242 as at 31 March 2025 (£689,328 as at 31 March 2024). The increase is as a result of positive cashflow resulting in increased investments placed with Dundee City Council loans fund.

Achievements & Performance

As disclosed above, during 2024/25 the Fleming Trust incurred costs of £298,577 in pursuit of its objectives, notably £68,333 (2023/24: £62,434) towards repairs and maintenance and other property costs.

Trustee Remuneration & Expenses

No trustees received any remuneration or expenses during the 2024/25 financial year (2023/24: £nil).

External Audit

These financial statements are subject to external audit.

Further Information

Any queries regarding this document should, in the first instance, be addressed to:

Francois de Villiers FCA, CA(SA)
Accounting Strategy Manager, Corporate Services
Dundee City Council
50 North Lindsay Street
Dundee
DD1 3RF
(Email: francois.devilliers@dundeecity.gov.uk)
(Telephone: 07385 931075)

Signed on behalf of the trustees on 24 September 2025

Bailie Willie Sawers
Senior Councillor with responsibility for Finance
Dundee City Council

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 24 September 2025 and signed on their behalf by:

Bailie Willie Sawers
Senior Councillor with responsibility for Finance
Dundee City Council

FLEMING TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025

	note	Total funds 2024/2025 £	Total funds 2023/2024 £
Rent		458,134	422,652
Investment Income	7	31,701	91,709
Total income		489,835	514,361
Property Insurance		5,000	5,000
Repairs & Maintenance		68,333	62,434
Landlords Supplies		5,000	5,000
Audit Fees		1,056	1,268
Legal Fees		1,447	4,226
Computer-Consumables		1,000	500
Lost Rents		6,085	15,218
Other outlays		-	875
Depreciation		210,656	171,256
Total expenditure		298,577	265,777
Net income/(expenditure)		191,258	248,584
Net movement in funds		191,258	248,584
Total funds brought forward		8,738,171	8,489,587
Total funds carried forward		8,929,429	8,738,171

These funds are deemed to be restricted, permanent endowment (capital) funds.

FLEMING TRUST

BALANCE SHEET AS AT 31 MARCH 2025

	note	As at 31 March 2025	As at 31 March 2024
		£	£
Fixed assets			
Tangible assets	3	7,838,187	8,048,843
Total fixed assets		7,838,187	8,048,843
Current assets			
Debtors	4	83,027	56,640
Investments	5	708,157	308,157
Cash at Bank and In Hand		392,682	407,144
Total current assets		1,183,866	771,941
Liabilities			
Creditors falling due within one year	6	(92,624)	(82,613)
Net current assets		1,091,242	689,328
Total assets less current liabilities		8,929,429	8,738,171
Creditors falling due after more than one year		-	-
Net assets		8,929,429	8,738,171
The funds of the charity			
Endowment funds		8,929,429	8,738,171
Total charity funds		8,929,429	8,738,171

The notes at pages 11 to 13 form part of these accounts.

The unaudited accounts were authorised for issue on 17 June 2025 and the audited accounts were authorised for issue on 24 September 2025 and signed on their behalf by:-

Baillie Willie Sawers
Senior Councillor with responsibility for Finance
Dundee City Council

FLEMING TRUST

CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

	note	As at 31 March 2025	As at 31 March 2024
		£	£
Cash flows from operating activities:			
Net cash provided by (used in) operating activities		353,837	181,848
Cash flows from investing activities:			
Dividends, interest and rents from investments		31,701	91,709
Purchase of property, plant and equipment		-	(1,910,295)
Net cash provided by (used in) investing activities		31,701	(1,818,586)
Cash flows from financing activities:			
Repayments of borrowing		-	-
Cash inflows from new borrowing		-	-
Net cash provided by (used in) financing activities		-	-
Change in cash and cash equivalents in the reporting period		385,538	(1,636,738)
Cash and cash equivalents at the beginning of the reporting period	8	715,301	2,352,039
Cash and cash equivalents at the end of the reporting period		1,100,839	715,301

The notes at pages 11 to 13 form part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies

The following accounting policies set out the basis upon which the financial statements have been prepared and explain the accounting treatment of both general and specific items.

a) Basis of Preparation

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

b) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

c) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

d) Tangible fixed assets and depreciation

All assets costing more than £6,000 are capitalised and valued at historical cost. Depreciation is charged on a straight-line basis over their estimated useful lives, from the first full operational year following acquisition. Assets with a cost over £1m are componentised and depreciated as follows:

Component	% of cost	Useful life
Building structure	50	50
Building roof	10	35
Kitchens & Boilers	15	15
Bathrooms & Radiators	15	30
Building Externals	10	45
Total	100	

The cost of Land is not depreciated.

e) Investments

There are no external investments, rather all surplus funds are deposited with Dundee City Council's Loans Fund. All such deposits are valued at historical cost in the Balance Sheet.

f) Going Concern

The accounts are prepared on the going concern basis as it is considered by the trustees that the Fleming Trust is financially sustainable for the foreseeable future.

2 Assumptions made about the future and other major sources of estimation uncertainty

The Annual Accounts contain estimated figures that are based on assumptions made about the future or that are otherwise uncertain. Because these balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. The items in the Fleming Trust's Balance Sheet at 31 March 2025 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Property, Plant and Equipment	Assets are depreciated over estimated useful lives in accordance with Accounting Policy. The estimates are made taking into account historical experience.	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. It is estimated that the annual depreciation charge for buildings would increase by £6,700 for every year that useful lives had to be reduced.

3 Analysis of Tangible Fixed Assets

	Land and buildings £	Total £
Cost		
At 1 April 2024	8,373,295	8,373,295
Additions		
Disposals	-	-
Adjustment		
Transfers		-
At 31 March 2025	8,373,295	8,373,295
Depreciation		
At 1 April 2024	324,452	324,452
Charge for the year	210,656	210,656
Eliminated on disposals	-	-
At 31 March 2025	535,108	535,108
Net book value		
At 31 March 2025	7,838,187	7,838,187
At 31 March 2024	8,048,843	8,048,843

4 Debtors

Relates to rent receivable at year end.

5 Investments

Relates to amounts invested, and held by, Dundee City Council's Loans Fund.

6 Creditors

Relates to amount due to reimbursements payable to Dundee City Council £89,624 (2023/24: £79,613) as well as the audit fee of £3,000 (2023/24: £3,000).

7 Investment Income

There are no external investments, rather all surplus funds are deposited with Dundee City Council's Loans Fund. Interest receivable is based on the Loans Fund interest on revenue balances (IORB) rate and is paid twice yearly. The average IORB rate during 2024/25 was 4.25% (2023/24: 4.23%).

8 Cashflow Statement: cash and cash equivalents

The balance of cash and cash equivalents is made up of the following elements:

	31 March 2025	31 March 2024
	£	£
Investments held with Dundee City Council's Loans Fund	708,157	308,157
Cash at Bank and in hand	392,682	407,144
Total cash and cash equivalents	<u>1,100,839</u>	<u>715,301</u>

9 Related Party Transactions

During 2024/25, all surplus funds were deposited with Dundee City Council's Loans Fund. At 31 March 2025, a total balance of £708,157 (31 March 2024: £308,157) was held with Dundee City Council. Investment income of £31,701 (2023/24: £91,709) was received from Dundee City Council's Loans Fund during 2024/25. Refer also to Creditors note for balances payable to Dundee City Council.

10 Events After the Reporting Period

There were no events that occurred between 1 April 2025 and 24 September 2025 that would require adjustment to the 2024/25 financial statements. The latter date is the date on which the audited accounts were authorised for issue by the Senior Councillor with responsibility for Finance.

11 Parent Entity

The Fleming Trust is a subsidiary of Dundee City Council, a local authority established under the Local Government etc. (Scotland) Act 1994. Copies of the Group Accounts of Dundee City Council can be obtained from the contact listed on page 6.

12 Audit fees

The financial statements are subject to external audit. The total audit fee for the year was £3,000 (2023/24: £2,750).

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

Reporting on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the statement of accounts of the Fleming Trust for the year ended 31 March 2025 under Part VII of the Local Government (Scotland) Act 1973 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the charity as at 31 March 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of The Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern basis of accounting

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

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

Responsibilities of the trustees for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- using my understanding of the local government sector and charity sector to identify that the Local Government (Scotland) Act 1973, the Charities and Trustee Investment (Scotland) Act 2005, and The Charities Accounts (Scotland) Regulations 2006 are significant in the context of the charity;
- inquiring of the Trustees as to other laws or regulations that may be expected to have a fundamental effect on the operations of the charity;
- inquiring of the Trustees concerning the charity's policies and procedures regarding compliance with the applicable legal and regulatory framework;

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

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

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

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

Reporting on other requirements

Other information

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

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

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

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

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

Matters on which I am required to report by exception

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

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

I have nothing to report in respect of these matters.

Use of my report

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

Fiona Owens CA
Senior Audit Manager
Audit Scotland
4th Floor, South Suite
The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

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

City Chambers
DUNDEE
DD1 3BY

16th September, 2025

Membership

Bailie Kevin Keenan
Bailie Helen Wright
Bailie Fraser Macpherson
Bailie Christina Roberts
Bailie Derek Scott
Councillor Jimmy Black
Councillor Nadia El-Nakla
Councillor Lynne Short

Dear Colleague

You are requested to attend a MEETING of the **SCRUTINY COMMITTEE** to be held remotely on Wednesday, 24th September, 2024 at 2.00 pm. Substitute members are allowed.

Members of the Press or Public wishing to join the meeting should contact Committee Services on telephone (01382) 434228 or by email at committee.services@dundeecity.gov.uk by 5.00 pm on Monday, 22nd September, 2025.

Yours faithfully

GREGORY COLGAN

Chief Executive

1 DECLARATION OF INTEREST

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

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

2 FIRE AND RESCUE QUARTERLY PERFORMANCE REPORT - Page 1

(Report No 287-2025 by Area Commander Todd, copy attached).

3 DUNDEE POLICING AREA QUARTERLY POLICE REPORT - Page 21

(Report No 288-2025 by Chief Superintendent Russell, copy attached).

4 DUNDEE CITY COUNCIL 2023/2024 - ACCOUNTS AND AUDIT

- (a) EXTERNAL AUDITOR'S REPORT TO MEMBERS OF DUNDEE CITY COUNCIL AND THE CONTROLLER OF AUDIT FOR THE YEAR TO 31ST MARCH, 2025

(Report No 272-2025 by the Executive Director of Corporate Services, copy to follow).

- (b) DUNDEE CITY COUNCIL 2024/2025 ACCOUNTS AND AUDIT - RESPONSE TO THE EXTERNAL AUDITOR'S ANNUAL AUDIT REPORT

(Report No 273-2025 by the Executive Director of Corporate Services, copy to follow).

- (c) . DRAFT AUDIT STATEMENT OF ACCOUNTS

- (i) Dundee City Council

(Report No 274-2025 by the Executive Director of Corporate Services, copy to follow).

- (d) EXTERNAL AUDITORS ANNUAL AUDIT REPORT TO TRUSTEES OF DUNDEE CITY COUNCIL TRUST FUNDS FOR THE YEAR TO 31ST MARCH, 2025

(Report No 278-2025 by the Executive Director of Corporate Services, copy to follow).

- (e) RESPONSE TO EXTERNAL AUDITORS REPORT ANNUAL AUDIT REPORT TO TRUSTEES OF DUNDEE CITY COUNCIL TRUST FUNDS FOR THE YEAR TO 31ST MARCH, 2025

(Report No 279-2025 by the Executive Director of Corporate Services, copy to follow).

- (f) DRAFT AUDIT STATEMENT OF ACCOUNTS

- (i) Dundee City Council Charitable Trusts

(Report No 275-2025 by the Executive Director of Corporate Services, copy to follow).

- (ii) Lord Provost of Dundee Charity Fund

(Report No 276-2025 by the Executive Director of Corporate Services, copy to follow).

- (iii) Fleming Trust

(Report No 277-2025 by the Executive Director of Corporate Services, copy to follow).

5 INTERNAL AUDIT PLAN UPDATE AND PROGRESS REPORT - Page 47

(Report No 250-2025 by the Chief Internal Auditor, copy attached).

6 INTERNAL AUDIT REPORTS - Page 73

(Report No 249-2025 by the Chief Internal Auditor, copy attached).

7 NATIONAL FRAUD INITIATIVE - Page 93

(Report No 248-2025 by the Executive Director of Corporate Services, copy attached).

8 CORPORATE FRAUD TEAM ACTIVITY AND PERFORMANCE, INCLUDING WHISTLEBLOWING 2024/2025 - Page 103

(Report No 247-2025 by the Executive Director of Corporate Services, copy attached).

9 COUNCIL PLAN 2022/2027 – PROGRESS REPORT FOR 2024/2025 - Page 117

(Report No 189-2025 by the Chief Executive, copy attached).

(This report was remitted to the Scrutiny Committee for further consideration from the City Governance Committee held on 23rd June, 2025).

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ITEM No ...2.....**REPORT TO: DUNDEE CITY COUNCIL AUDIT COMMITTEE****REPORT NUMBER – 287-2025****24th September 2025****Report by Area Commander Bryan Todd, Local Senior Officer,
Scottish Fire and Rescue Service****SUBJECT: FIRE AND RESCUE QUARTERLY PERFORMANCE REPORT
1st April to 30th June 2025****Abstract**

The Report contains performance information relating to the first quarter (April 1st – June 30th) of 2025 - 2026 on the performance of the Scottish Fire and Rescue Service in support of Member scrutiny of local service delivery.

1 PURPOSE OF THE REPORT

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

2 RECOMMENDATIONS

It is recommended that members:

Note, scrutinise and question the content of this report.

3 FINANCIAL IMPLICATIONS

None.

4 BACKGROUND

- 4.1 The *Local Fire and Rescue Plan for Dundee 2020-2023 was approved by the Community Safety and Public Protection Committee on 16 November 2020. In support of delivering the priorities in this plan, twelve headline indicators are utilised as performance measures and form the basis of quarterly monitoring reports.
- 4.2 The priorities and outcomes contained within the *Local Fire and Rescue Plan reflect 'place' and the contribution of the Scottish Fire and Rescue Service to the City Plan for Dundee 2022 - 2032.
- 4.3 In summary the following priorities are detailed within the plan:
 - Priority 1 – Improving Fire Safety in the Home
 - Priority 2 – Improving Fire Safety and Resilience in the Business Community
 - Priority 3 – Minimising the Impact of Unintentional Harm
 - Priority 4 – Reducing Unwanted Fire Alarm Signals

- Priority 5 – Reducing Deliberate Fires
 - Priority 6 – Effective Risk Management and Operational Preparedness
- 4.4 Appendix 1 attached to this report provides a detailed breakdown and analysis of all data collected during the reporting period. In addition, further sections are included to provide Members with an overview of a range of community safety engagement events and partnership working. Furthermore, it highlights any notable trends with incident activity.

5 EQUALITY IMPACT ASSESSMENT

- 5.1 Not applicable.

6 ENVIRONMENTAL ISSUES

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

7 SUMMARY

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

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

* The development and consultation of new Local Fire and Rescue Plans will now be delayed until spring 2026. This is to ensure the plans fully reflect the outcomes of the current Service Delivery Review public consultation, which we believe is essential to developing meaningful and informed local priorities. A formal update and revised timeline will be shared with Committee in due course.



Dundee City

**Dundee City Council Scrutiny
Committee**

2025-26 Q1

Scrutiny Report



**SCOTTISH
FIRE AND RESCUE SERVICE**

Working together for a safer Scotland

**Working together
for a safer Scotland**

Dundee City Council
www.dundee.gov.uk

**CHANGING
FOR THE FUTURE**

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Dundee City
Dundee City Council
Scrutiny Committee
2025-26 Q1
Scrutiny Report

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4	Accidental Dwelling Fire Casualties	Page 6
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6	Non-Domestic Fires	Page 8
7	Non-Fire Casualties	Page 9
8	Road Traffic Collisions (RTCs)	Page 10
9	Unwanted Fire Alarm Signals (UFAS)	Page 11
10	Home Fire Safety Visits (HFSVs)	Page 12
11	Fire Safety Enforcement	Page 12
12	Community Safety Engagement & Partnership Working	Page 13
13	Glossary of Terms	Page 14

About the statistics within this report

The activity totals and other statistics quoted within this report are published in the interests of transparency and openness. They are provisional in nature and subject to change as a result of ongoing quality assurance and review. Because all statistics quoted are provisional there may be a difference in the period totals quoted in our reports after local publication which result from revisions or additions to the data in our systems. The Scottish Government publishes official statistics each year which allow for comparisons to be made over longer periods of time.

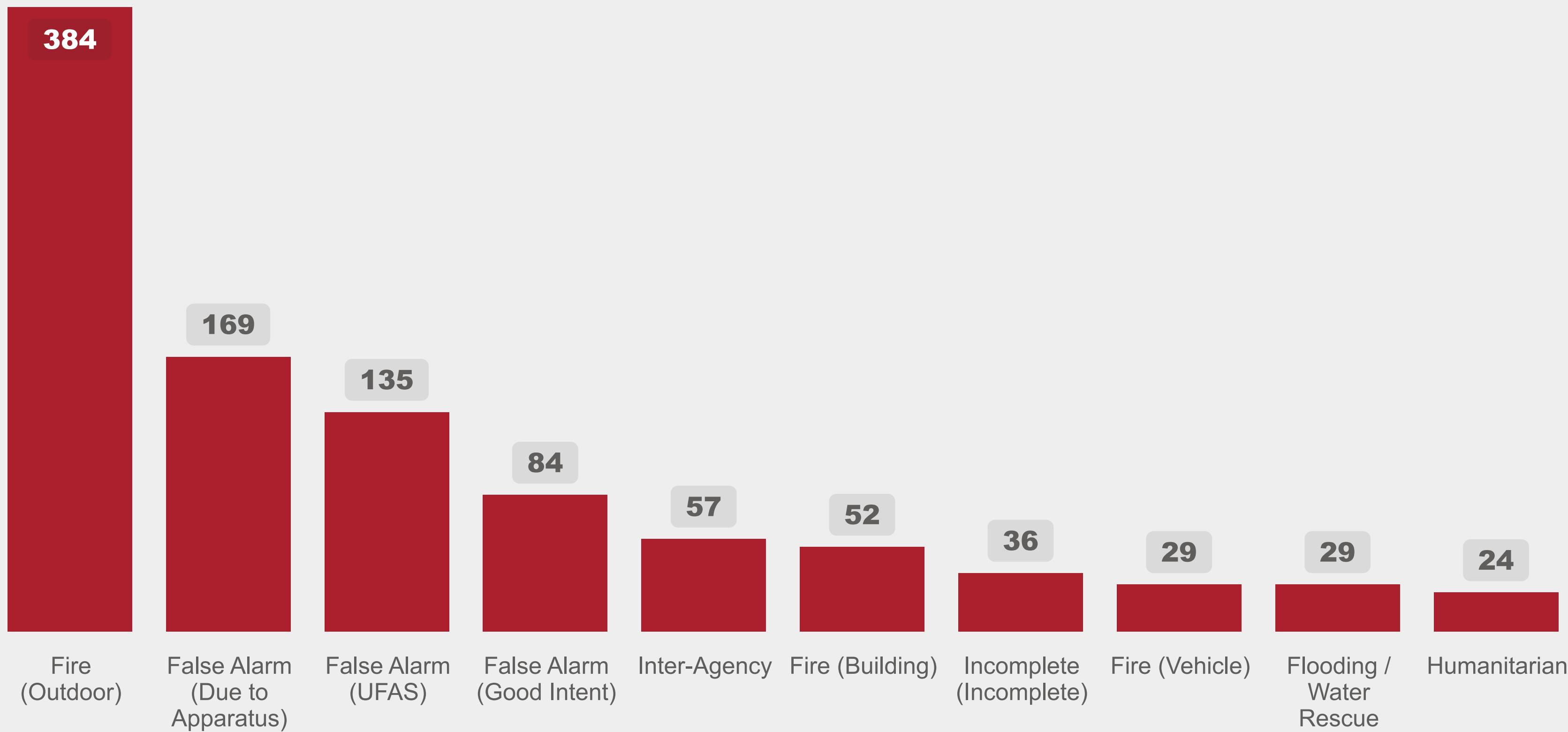
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1. Summary

2025-26 Q1

 1,047 Total Incidents (Incl. Incompletes)	 465 Fires	 144 Non-Fire Incidents	 402 False Alarms	 135 UFAS
 26 People Rescued by Firefighters	 3 People Receiving First Aid or Hospital Treatment (Fires)	 0 Fire Fatalities	 12 People Receiving First Aid or Hospital Treatment (Non-Fire)	 3 Non-Fire Fatalities
 138 Home Fire Safety Visits	 66 Fire Safety Audits			

Top 10 Incident Types



During the Q1 reporting period the SFRS attended a total of 1047 incidents across Dundee City.

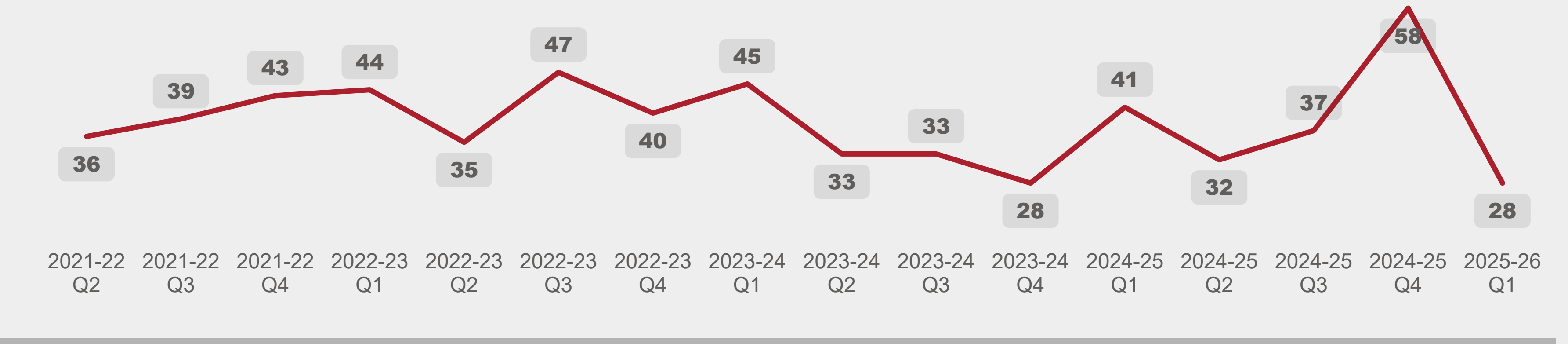
Incident types involving Fires are the most attended, totaling a combined 465 call outs, which is 44% of all incidents attended. In context, 290 (62%) of all fires were deliberate outdoor fires. We also attended 402 False Alarms and 144 non-fire emergencies, such as Road Traffic Collisions and Assisting Other Agencies incidents.

Trend information charts can be found on the following page for 5 of the key incident types attended to give an understanding on the direction of travel over a 4-year period.

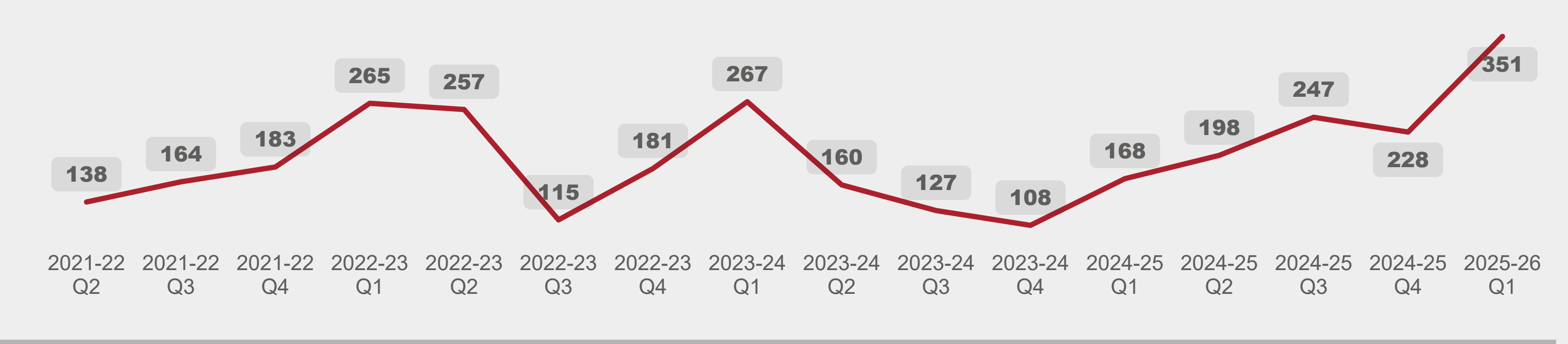
2. Trends

Previous 16 quarters (4 years)

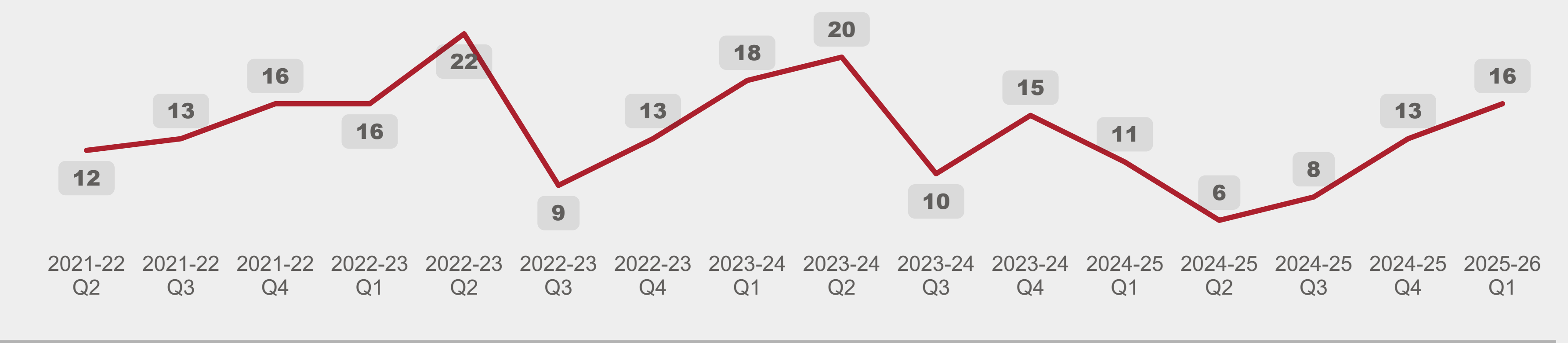
Accidental Dwelling Fires



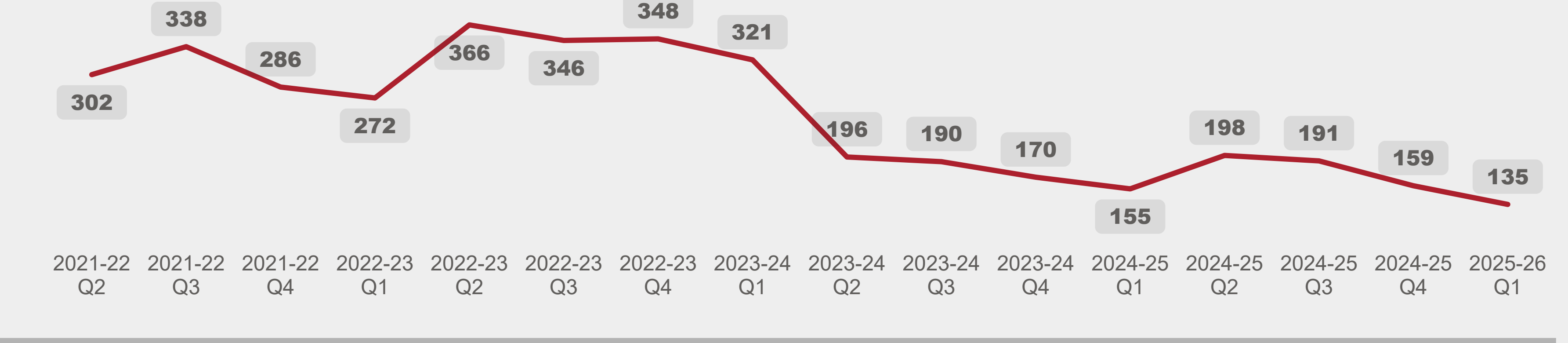
Deliberate Fires



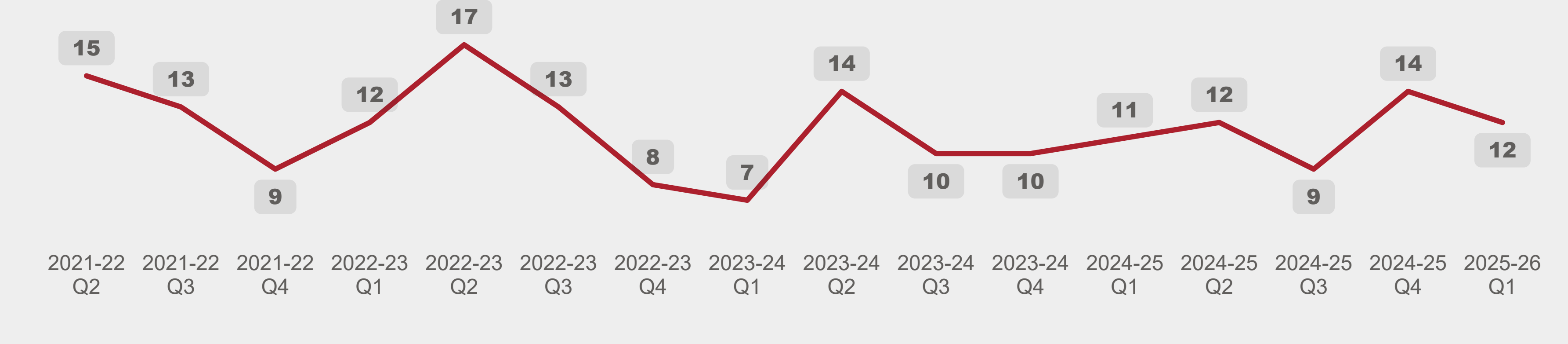
Non-Domestic Fires



Unwanted Fire Alarm Signals



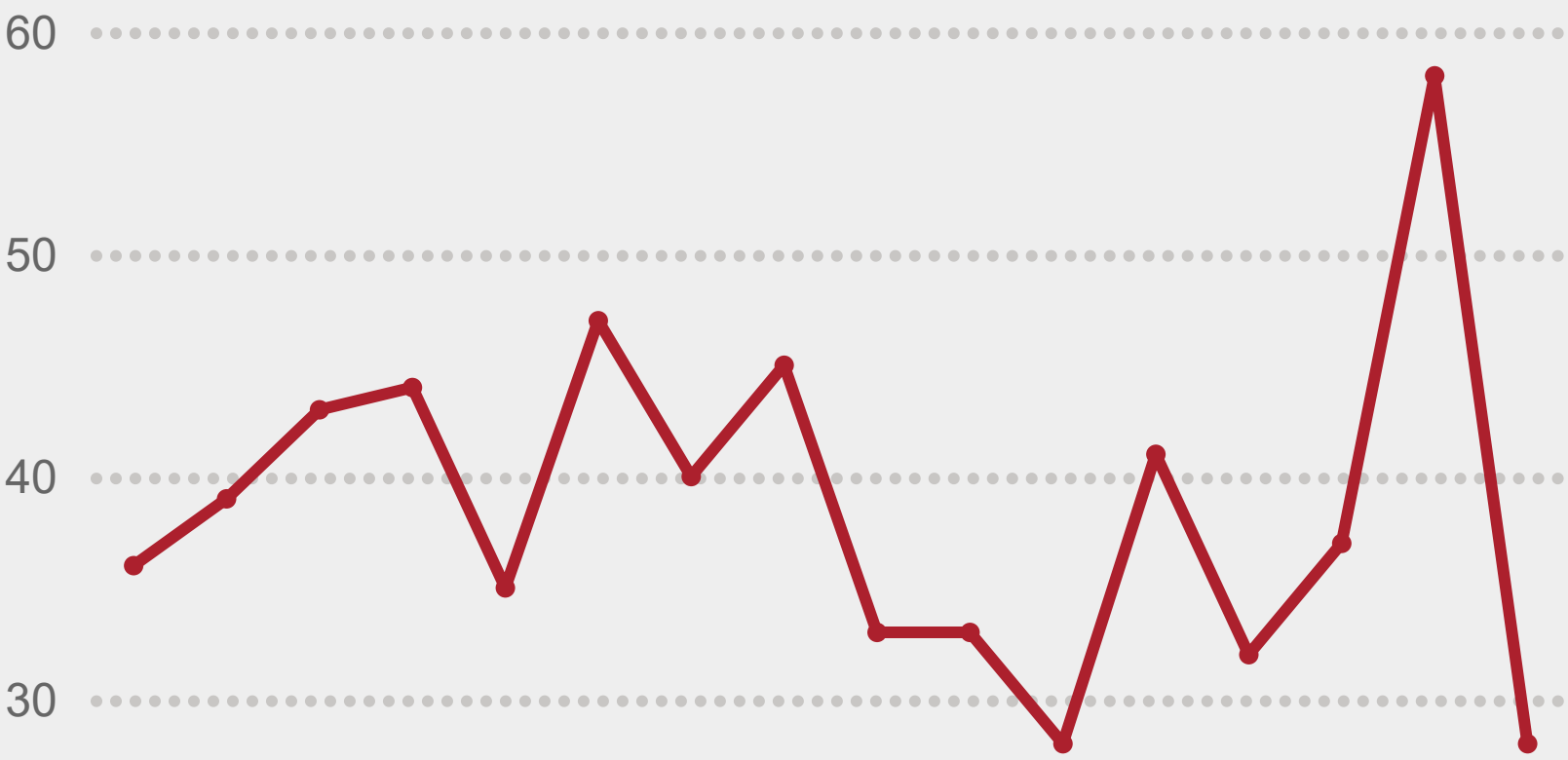
Road Traffic Collisions



3. Accidental Dwelling Fires

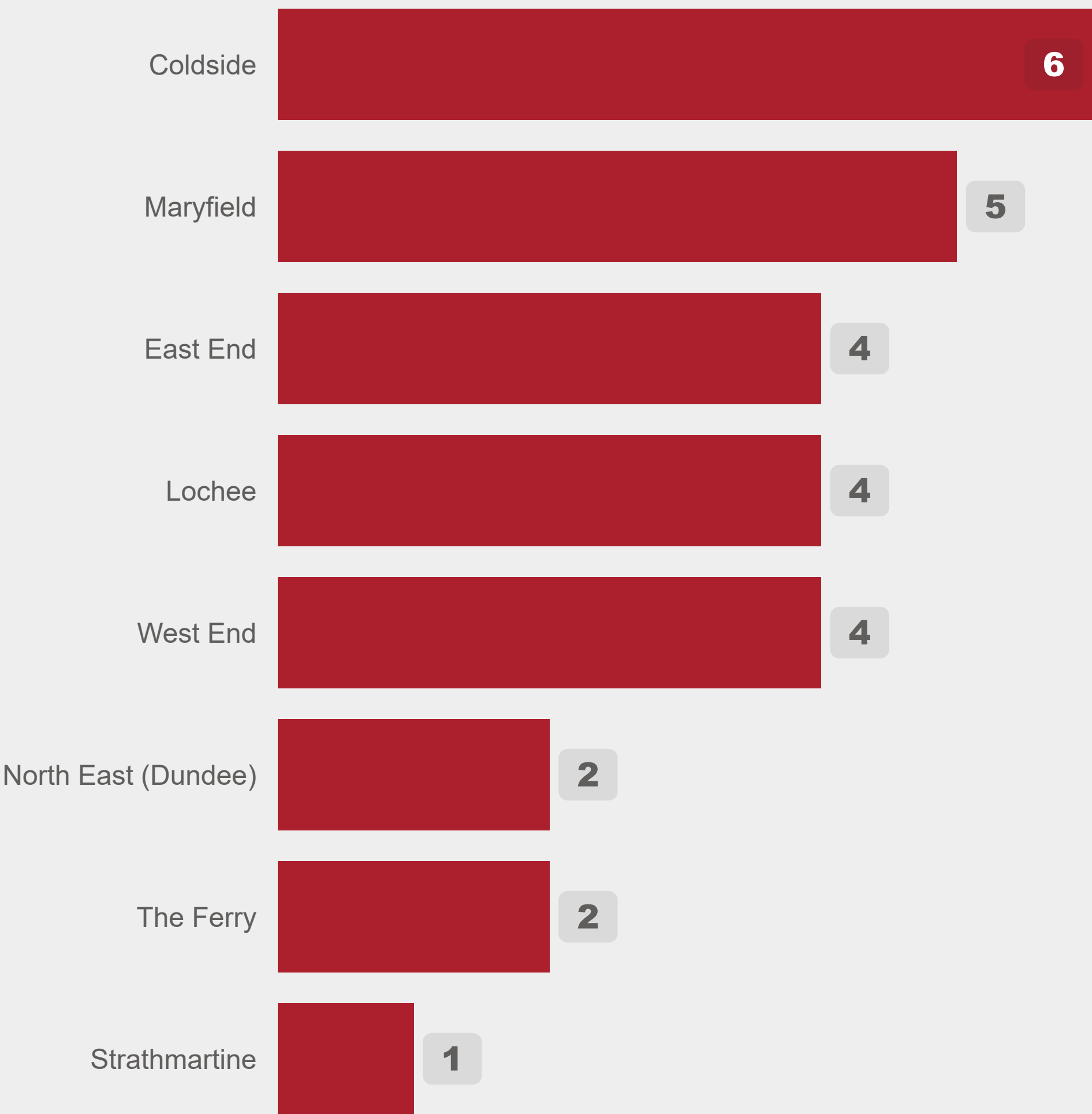
2025-26 Q1

Trend by Quarter (4 years)



Extent of Damage	Incidents
Not applicable	11
Limited to item 1st ignited	10
Limited to room of origin	6
Limited to 2 floors (not whole building)	1

Incidents by Ward



Source of Ignition (Top 10)



28

Accidental Dwelling Fires in this period

Of the 28 Accidental Dwelling Fires (ADFs), 22 incidents were due to a cooking appliance, with damage being recorded at 1 incident as having spread from room of origin. No firefighting actions were required at 17 incidents with the main action taken by SFRS being removal from heat source at 4 incidents. 19 properties were fitted with smoke detection, 15 of which operated and gave early warning to the occupants. We continue to undertake Post Domestic Incident Response (PDIR) interventions following an ADF, which comprises of a HFSV’s and advice to prevent further incidents and where required, we ensure the relevant safeguarding or support service referrals are progressed.

The SFRS continue to work with partners to ensure we positively contribute to reducing the risk to our communities by targeting those most vulnerable, particularly around unintentional harm in the home

4. Accidental Dwelling Fire Casualties

2025-26 Q1

Trend by Quarter (4 years)



Nature of Injury/Cause of Death	Casualties
Burns - slight	2
Other	1

Casualties by Ward



3

Non-Fatal Casualties

0

Fatal Casualties

1

People Rescued by Firefighters

Extent of Harm (Non-Fatal)



1

First Aid Given at Scene



2

Hospital Slight Injuries



0

Hospital Serious Injuries

In Q1, there were 2 ADFs that resulted in 2 casualties being conveyed to hospital for slight injuries. In addition to that, 2 casualties required precautionary checks, 1 required First Aid and Firefighters rescued 1 uninjured person.

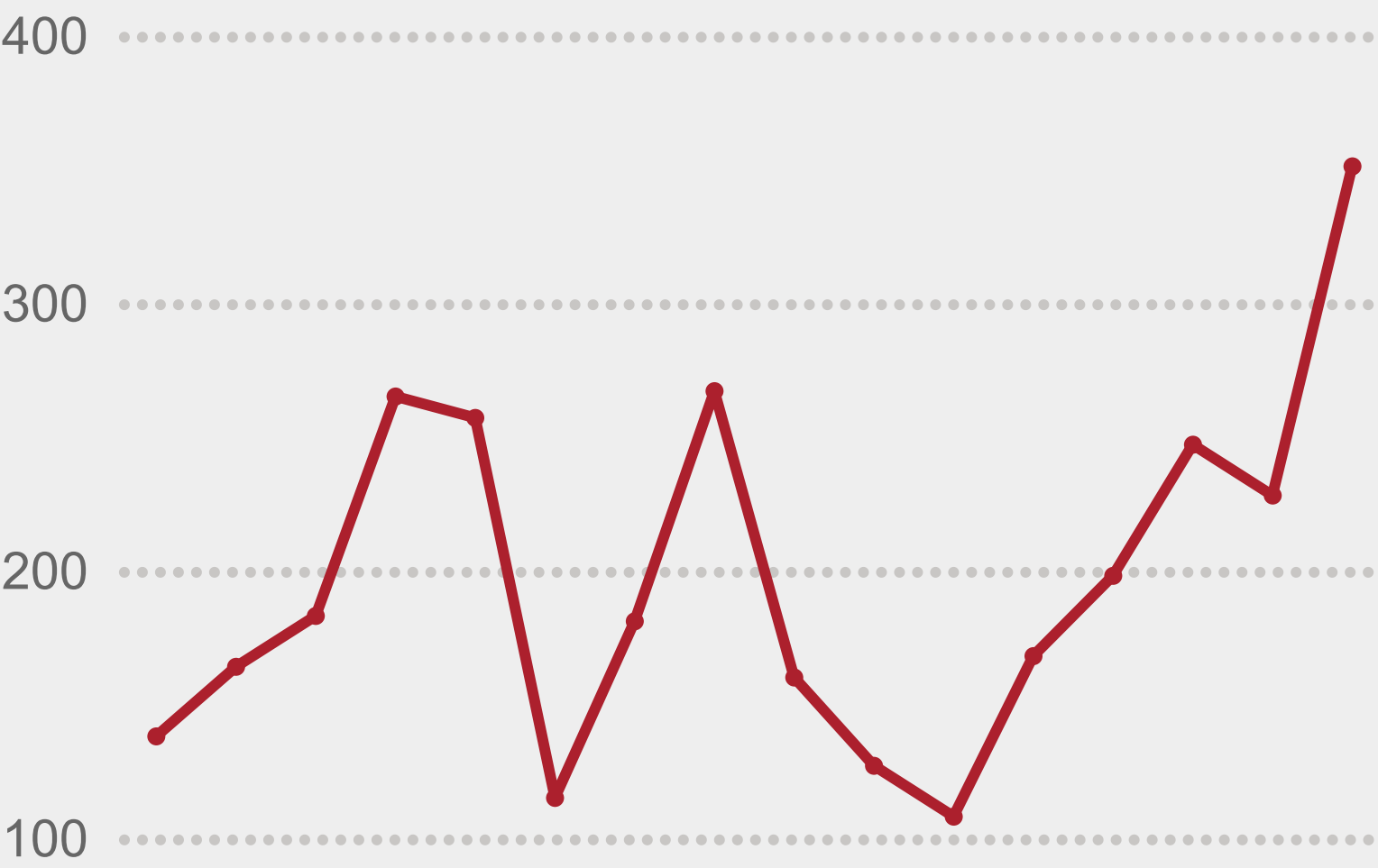
Our Community Action Team have been focusing on carrying out additional risk recognition training with partners to help them identify fire related risk factors more promptly and in turn, take effective prevention action. This may include supporting an occupier to find alternative cooking methods such as microwave meals rather than using a hob or grill pan.

Where there are concerns about a person’s cognitive function and potential for gas appliances being used incorrectly, we will liaise with the persons next of kin and SGN to arrange for a locking cooker valve to be installed to eliminate that risk.

5. Deliberate Fires

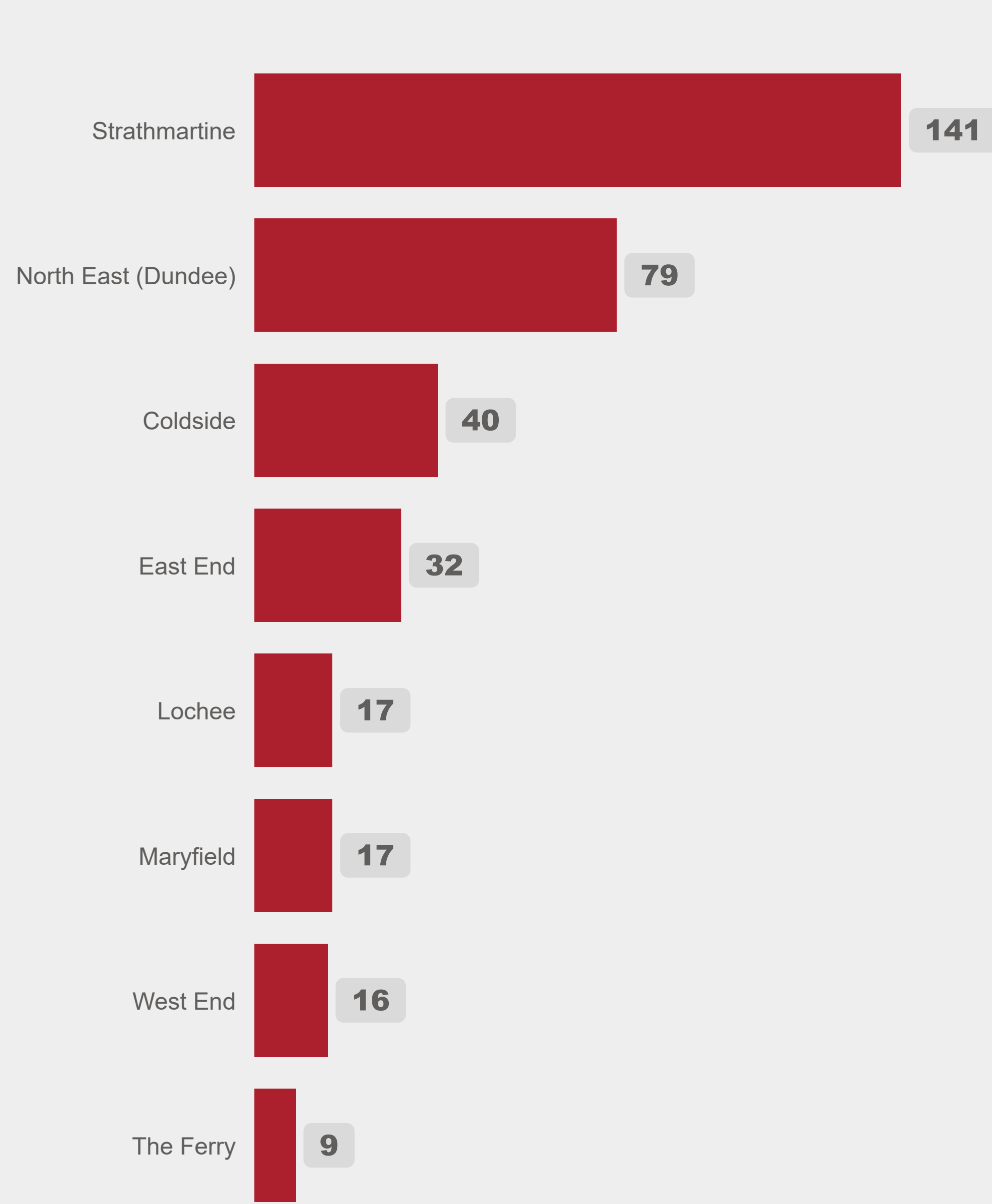
2025-26 Q1

Trend by Quarter (4 years)



Property Type	Incident
Grassland, woodland and crops	169
Refuse	98
Other outdoors (including land)	39
Road Vehicle	18
Non Residential	10
Outdoor structures	9
Dwelling	6
Outdoor equipment and machinery	2

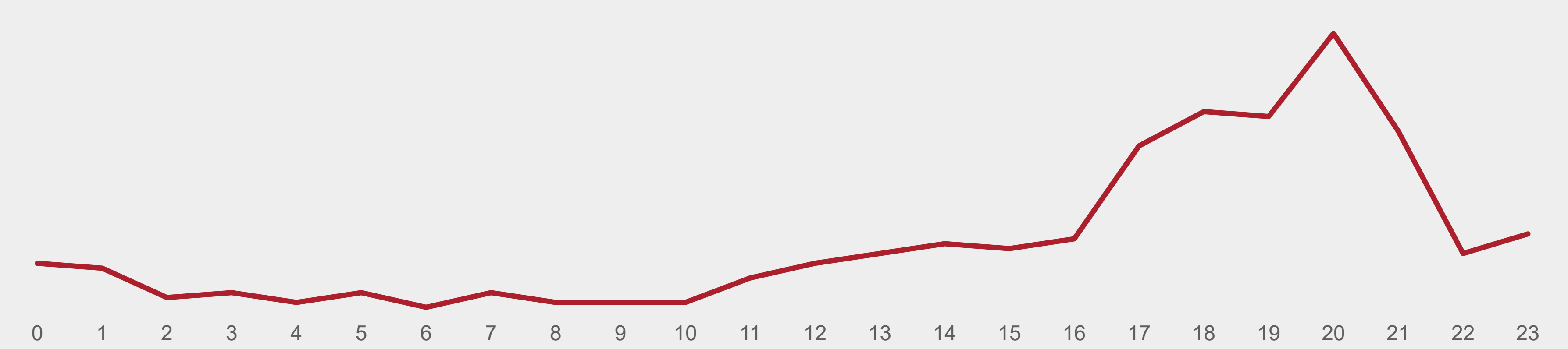
Incidents by Ward



351

Deliberate Fires
in this period

Hour of Day



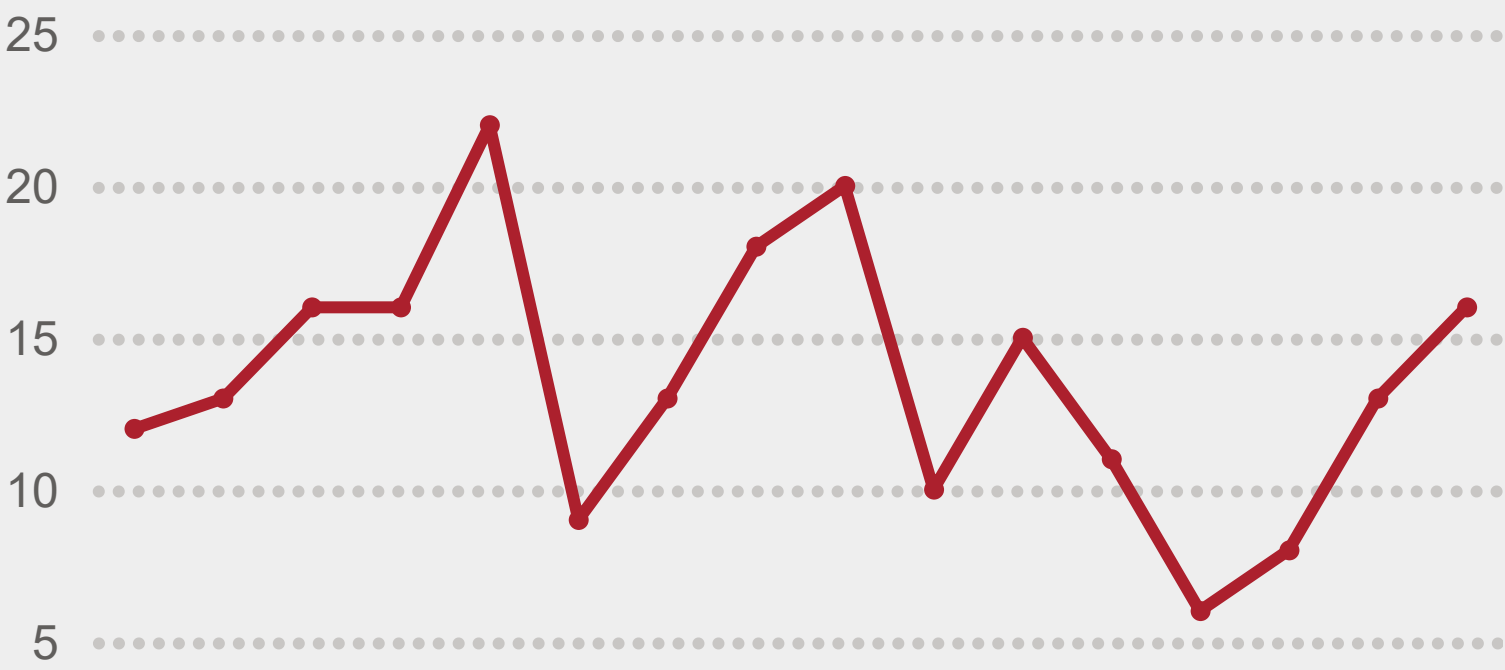
Of the 351 Deliberate Fires attended in the reporting period, 61 were categorised as primary fires and 290 were secondary fires. 6 of the primary fires were within domestic dwellings and 8 in non-domestic buildings, such as industrial premises (4), a cinema, retail premises, church and a bar. There was also deliberate fires within a car park and a garden shed. 18 fires involved vehicles, which included 14 cars, 1 van, 1 caravan, a trailer and a bicycle. The remaining 27 primary fires involved grassland, woodland, crops or outdoor structures and equipment. In relation to the 290 secondary fires, these range from tree scrub, scrub land and grassland to wheelie bins, loose refuse and refuse containers.

We continue to work with partners to try and reduce the number of deliberate fires, particularly secondary fires, as part of a wider youth awareness education initiatives. These include a targeted approach working with local schools along with national campaigns to reduce this unacceptable anti-social behaviour.

6. Non-Domestic Fires

2025-26 Q1

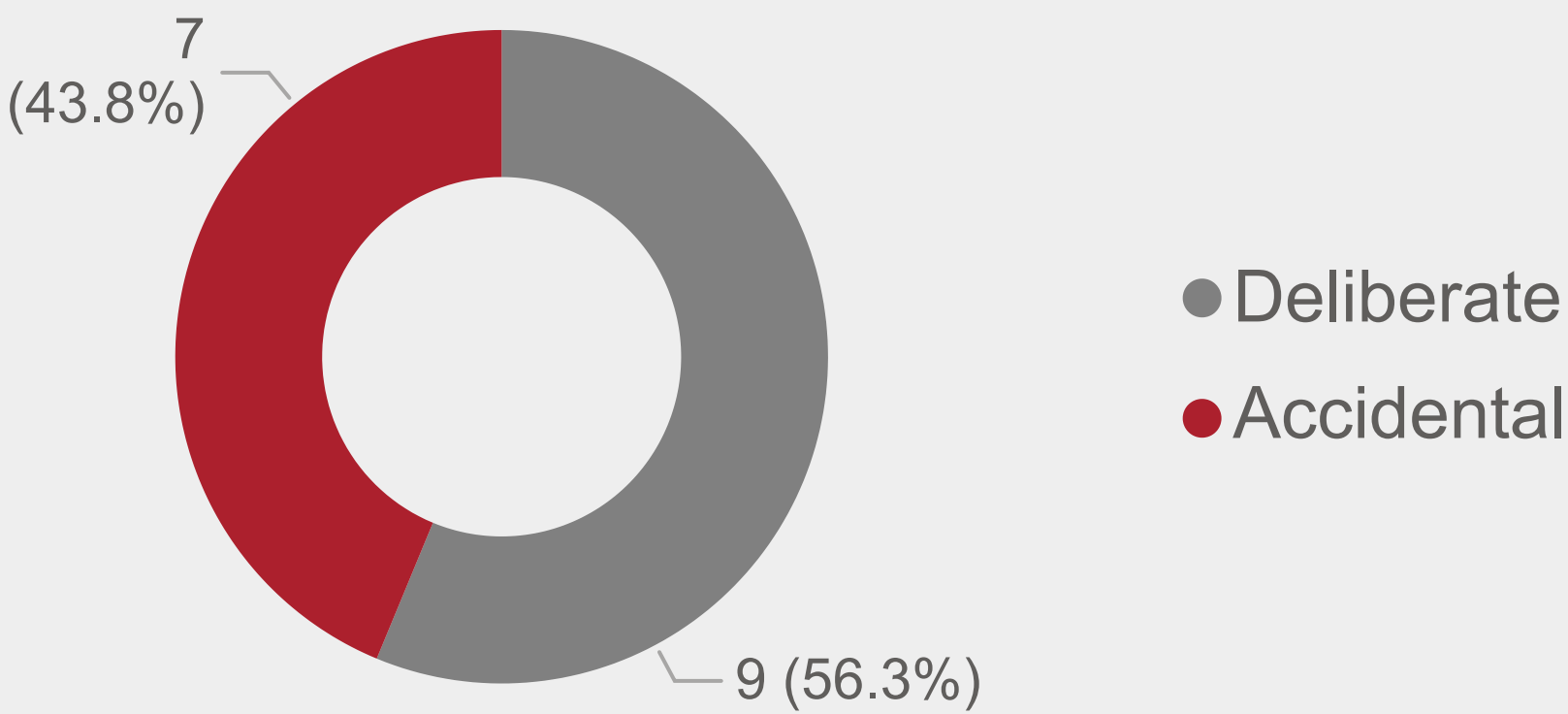
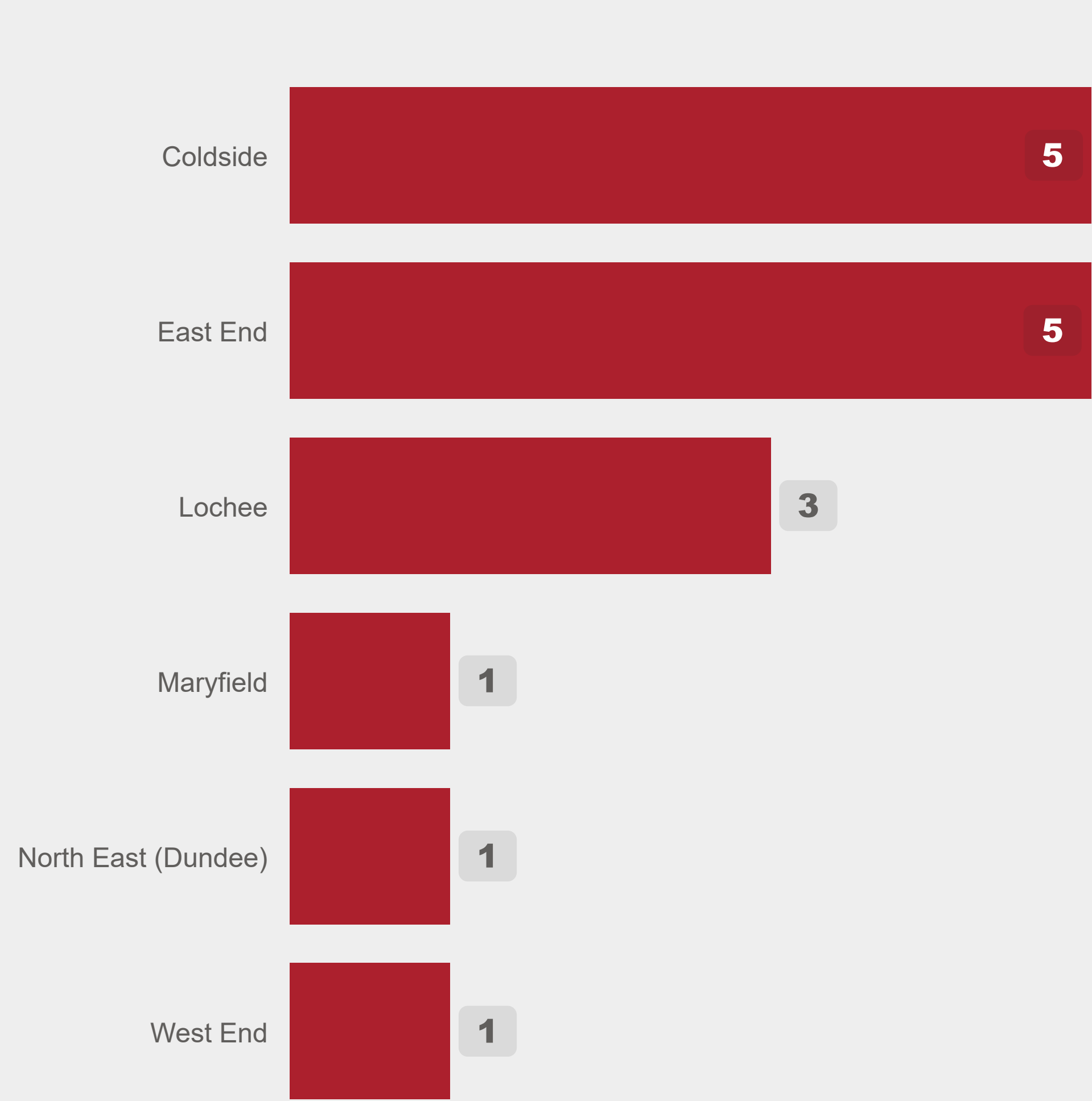
Trend by Quarter (4 years)



Top 15 Property Types

Property Type	Incidents
Industrial Manufacturing	4
Retail	3
Entertainment and culture	2
Car Parks	1
Food and Drink	1
Industrial Processing	1
Religious	1
Residential Home	1
Sheltered Housing - not self contained	1
Student Hall of Residence	1

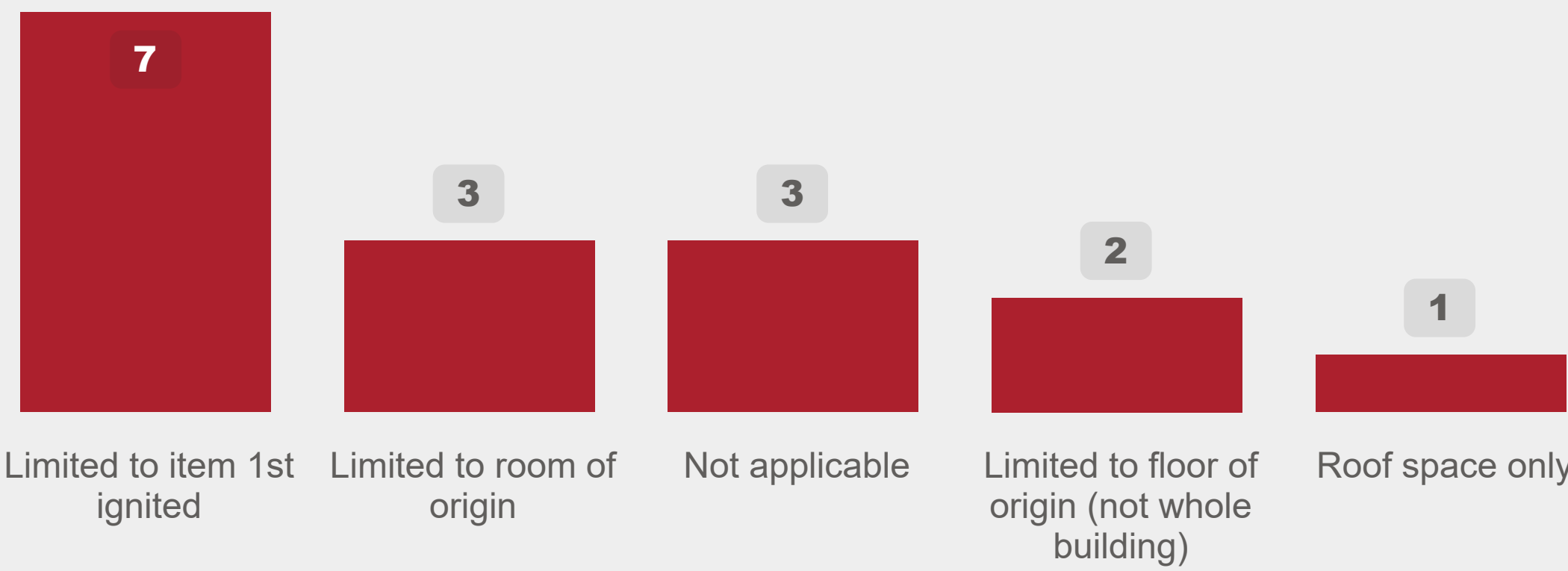
Incidents by Ward



16

Non-Domestic
Fires in this
period

Extent of Damage



The SFRS attended 16 Non-Domestic Building Fires during the reporting period, with 2 fires spreading beyond the room of origin. 8 of the incidents required no firefighting or minimal fire service intervention. A fire alarm system operated on 8 occasions. No casualties were involved with any incidents. The only repeat attendances were a derelict industrial premises.

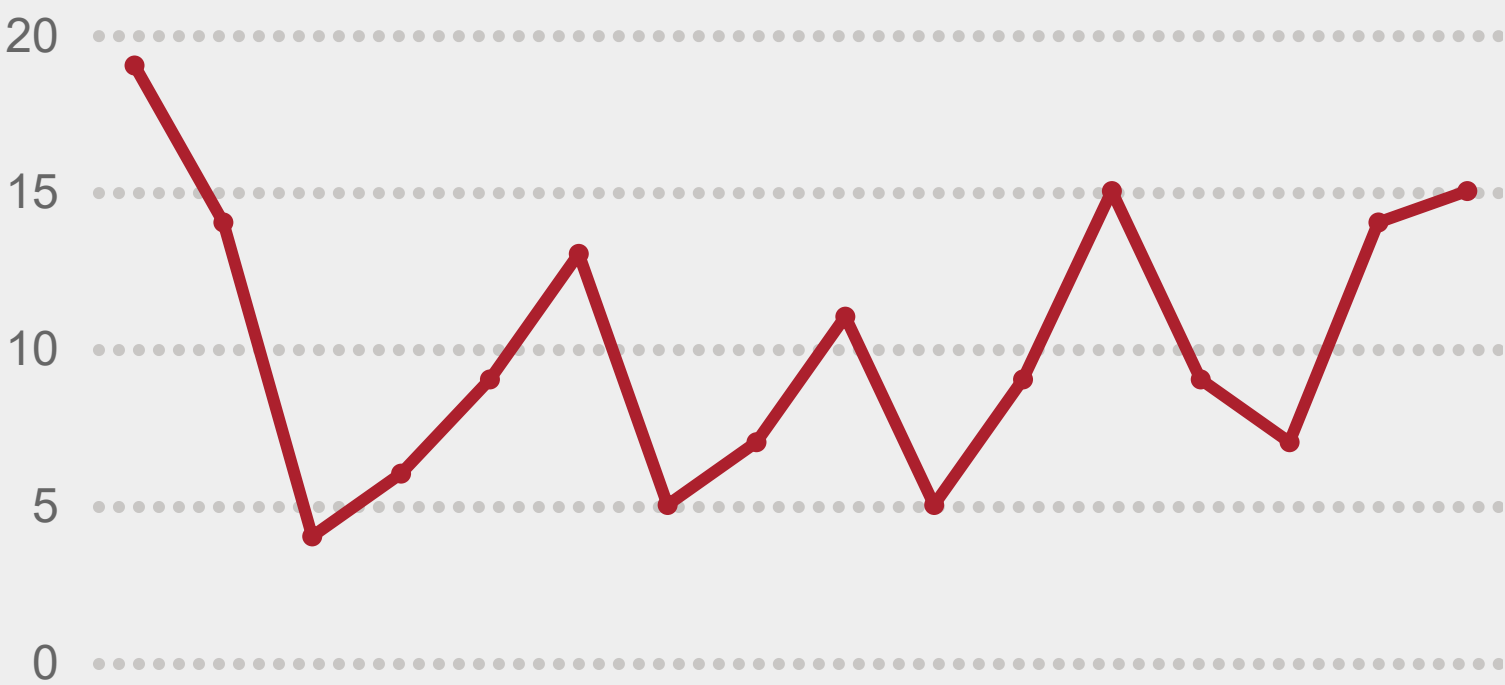
In relation to the ignition sources of the accidental fires, 3 were due to an electrical appliance, 2 involved electric lighting / supply and 2 were due to heating/industrial equipment. All deliberate fires were due to a heat source and combustible materials being brought together and 7 out of 9 were between 18.00hrs and 05.00hrs.

Following a non-domestic building fire, our dedicated Protection Officers audit relevant premises to ensure they are complying with their statutory responsibilities and to give advice to prevent any further incidents.

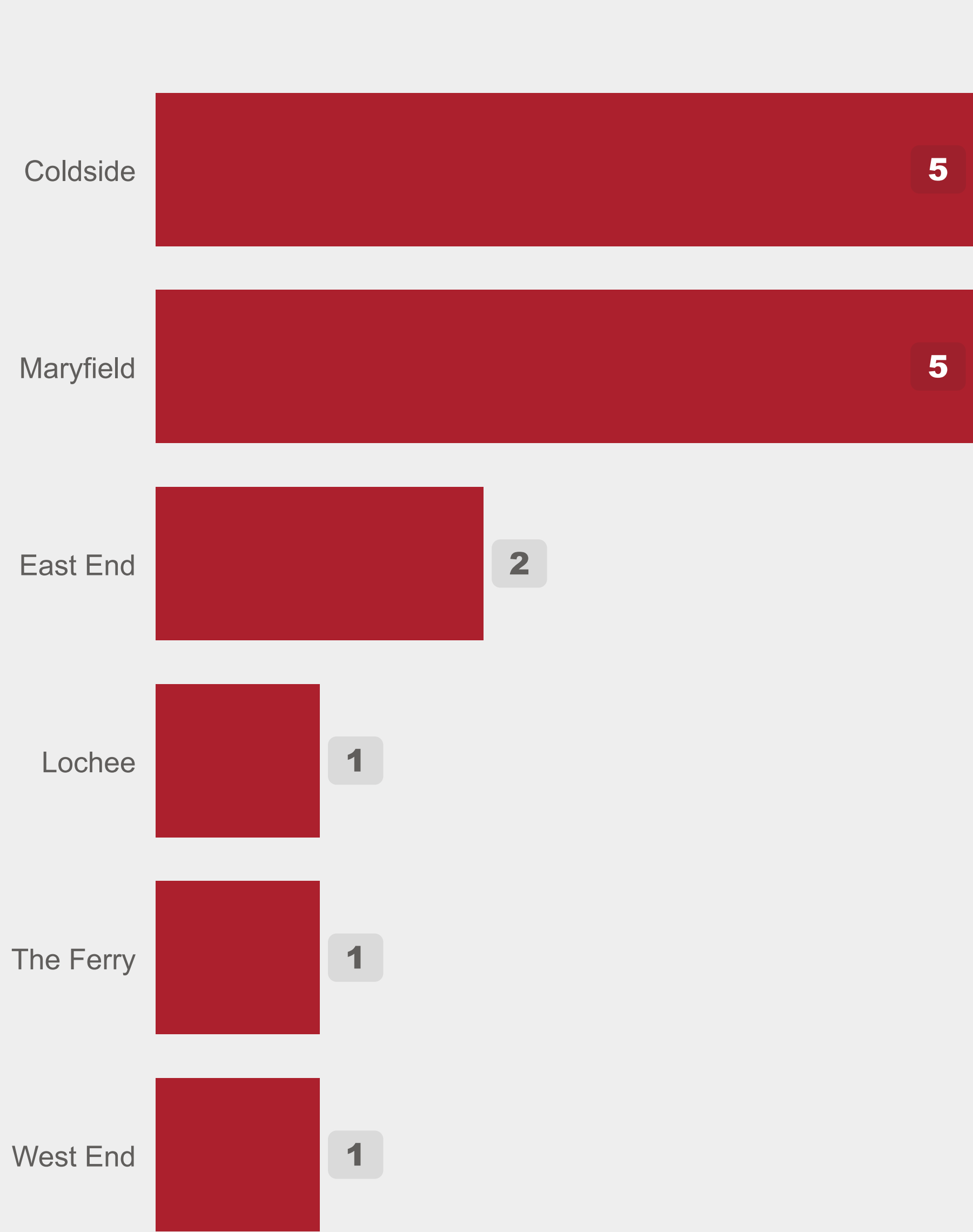
7. Non-Fire Casualties

2025-26 Q1

Trend by Quarter (4 years)



Casualties by Ward



Nature of Injury/Cause of Death	Casualties
Back / Neck injury (spinal)	3
Not known	3
Fracture	2
Overcome by gas, smoke or toxic fumes; asphyxiation	2
Bruising	1
Chest / Abdominal injury	1
Collapse	1
Cuts/Lacerations	1
Other	1

12

Non-Fatal Casualties

3

Fatal Casualties

24

People Rescued by Firefighters

Extent of Harm (Non-Fatal)



0

First Aid Given at Scene



10

Hospital Slight Injuries



2

Hospital Serious Injuries

The SFRS attended 144 non-fire emergencies over the reporting period which resulted in 3 fatal and 12 non-fatal casualties. Road Traffic Collisions (RTCs) contributed to 7 of the non-fatal casualties, with more detail provided in section 8 of this report.

Of the 3 fatal casualties, 2 were from effecting entry to a premises for another agency / assisting another agency and 1 was a suicide.

In relation to the non-fatal casualties, 5 casualties required hospital treatment, 1 of which for serious injuries and 4 for slight injuries. 4 incidents were effecting entry to a premises for another agency and 1 incident involved Hazardous Materials from a lorry where the driver had slight injuries when exposed to a corrosive substance.

8. Road Traffic Collisions

2025-26 Q1

Trend by Quarter (4 years)

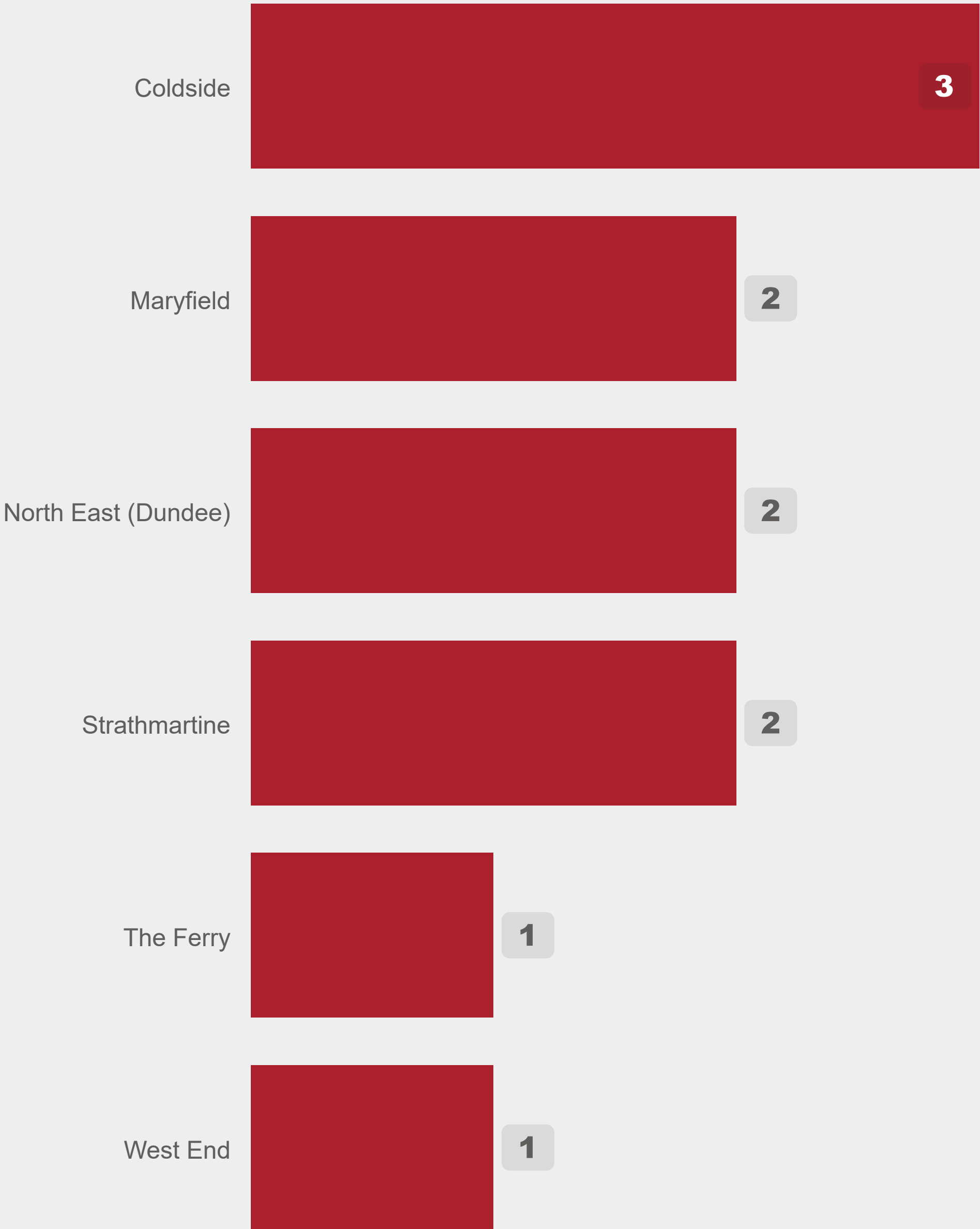


11 Road Traffic Collisions in this period

Property Type	Incidents
Car	10
Van	1

Incident Type	Incidents
Vehicle (Non-fire)	10
Fire (Vehicle)	1

Incidents by Ward



7 Non-Fatal Casualties 0 Fatal Casualties 4 People Rescued by Firefighters

Extent of Harm (Non-Fatal)

First Aid Given at Scene 0

Hospital Slight Injuries 6

Hospital Serious Injuries 1

There were 5 Road Traffic Collisions (RTCs) that accounted for 7 non-fatal casualties within the reporting period. There were 6 further RTCs resulting in no casualties and there were no fatal RTC casualties in Q1.

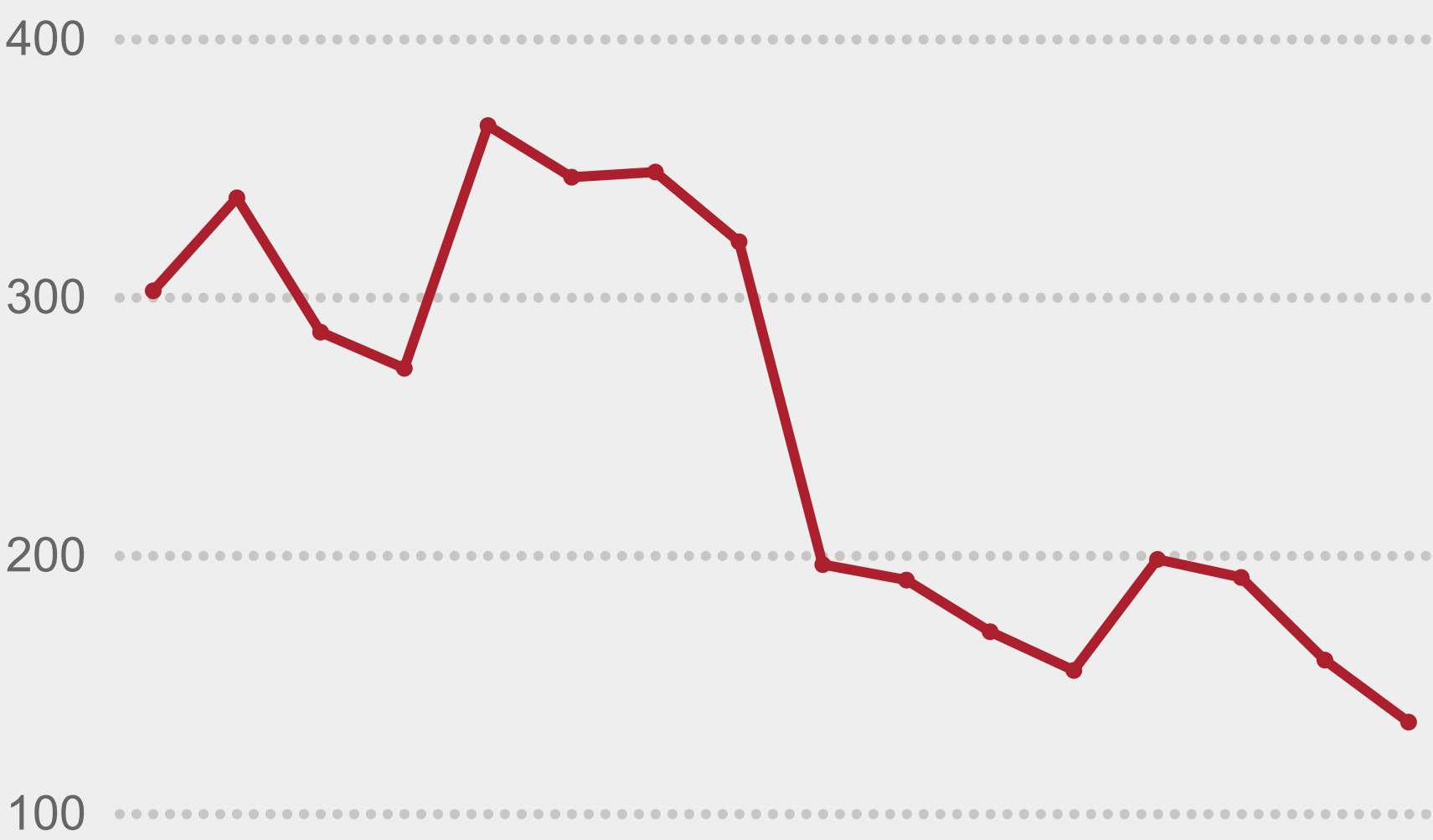
Of the non-fatal casualties, there were 2 RTCs in the Coldsides ward resulting in a casualty with serious injuries and 2 casualties with slight injuries. 2 RTCs in the Maryfield ward resulting in 3 casualties with slight injuries and 1 RTC within The Ferry ward that resulted in a further casualty with slight injuries.

A multi-agency approach is essential to reduce RTCs and associated casualties, with the Tayside Road Safety Partnership taking a collaborative approach to identifying reduction priorities to influence and shape the prevention activity in Dundee; such as education initiatives, targeted speed enforcement campaigns and in increasing public awareness.

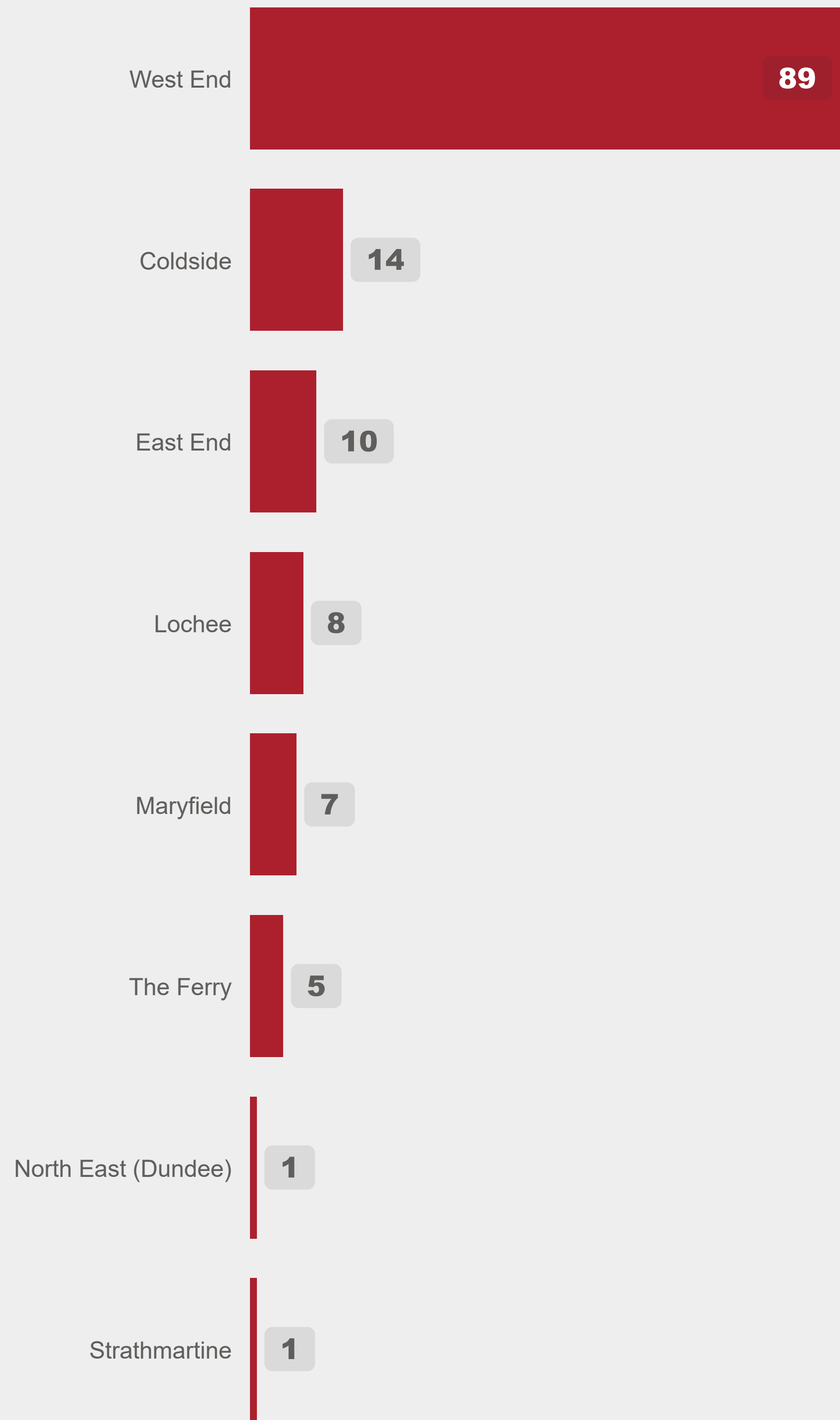
9. Unwanted Fire Alarm Signals

2025-26 Q1

Trend by Quarter (4 years)



Incidents by Ward



Top 15 Property Types

Property Type	Incidents
Hospitals and medical care	47
Student Hall of Residence	37
Residential Home	25
Hostel (e.g. for homeless people)	5
Nurses'/Doctors' accommodation	5
Boarding House/B&B for homeless/asylum seekers	3
Hotel/motel	3
Sheltered Housing - not self contained	3
Offices and call centres	2
Education	1
Food and Drink	1
Industrial Manufacturing	1
Public admin, security and safety	1
Retail	1

135

Unwanted Fire Alarm Signals in this period

Unwanted Fire Alarm Signals (UFAS) from Automatic Fire Alarms has an impact in terms of unnecessary blue light journeys, redirecting SFRS resources away from other activities such as community safety engagement and causing considerable disruption to businesses.

Operational crews continue to investigate the cause of every UFAS incident to ensure the appropriate level of engagement with the Dutyholder is undertaken when in attendance. Every UFAS incident that the SFRS attends is used as an opportunity to educate the Dutyholder on the impact UFAS has on their businesses, the community and the SFRS. The reduction in UFAS mobilisations within Dundee has continued to provide opportunities for reinvesting the released capacity into areas that would deliver greater value, such as training and further prevention work.

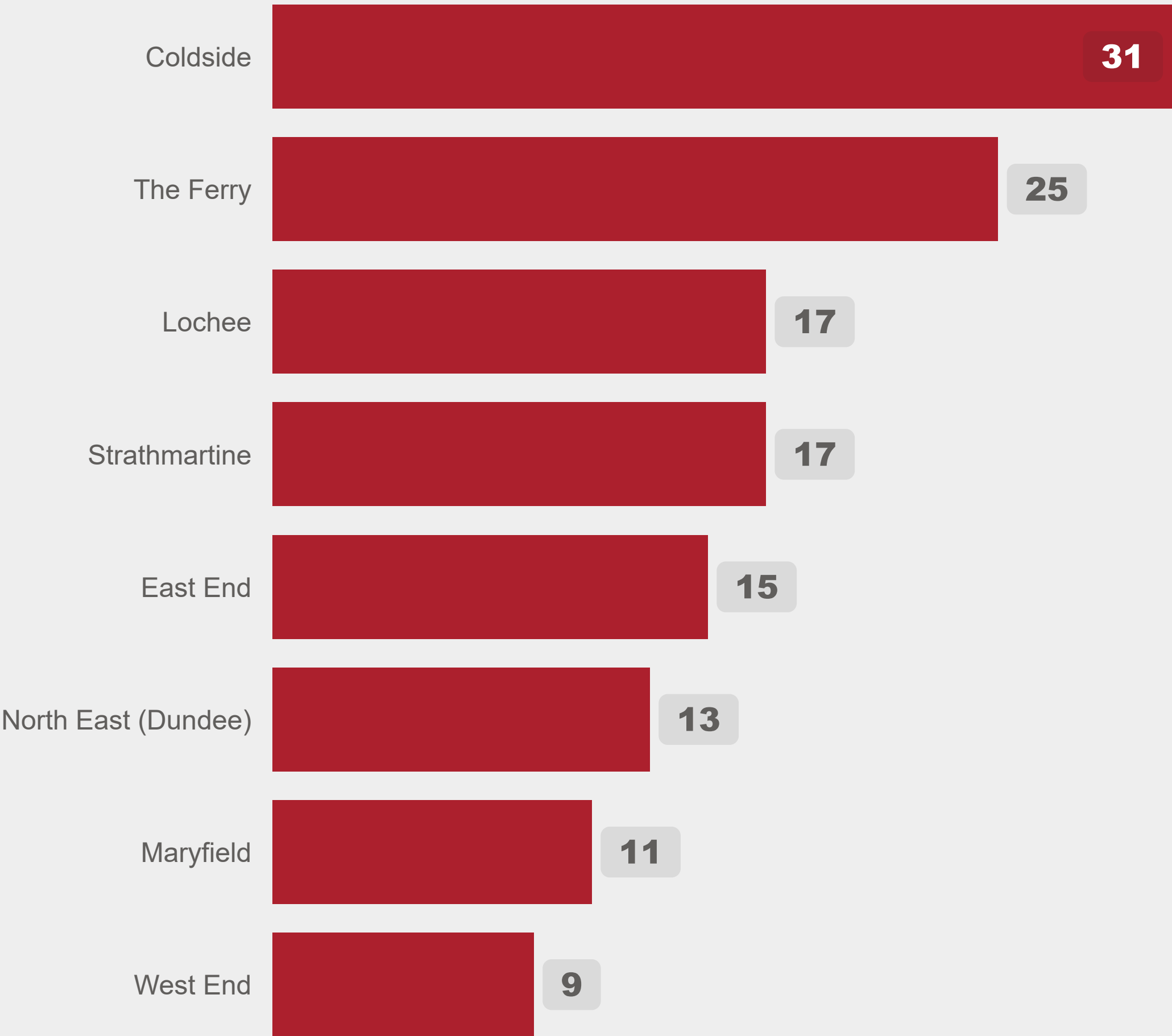
10. Home Fire Safety Visits

2025-26 Q1

138

Home Fire
Safety Visits

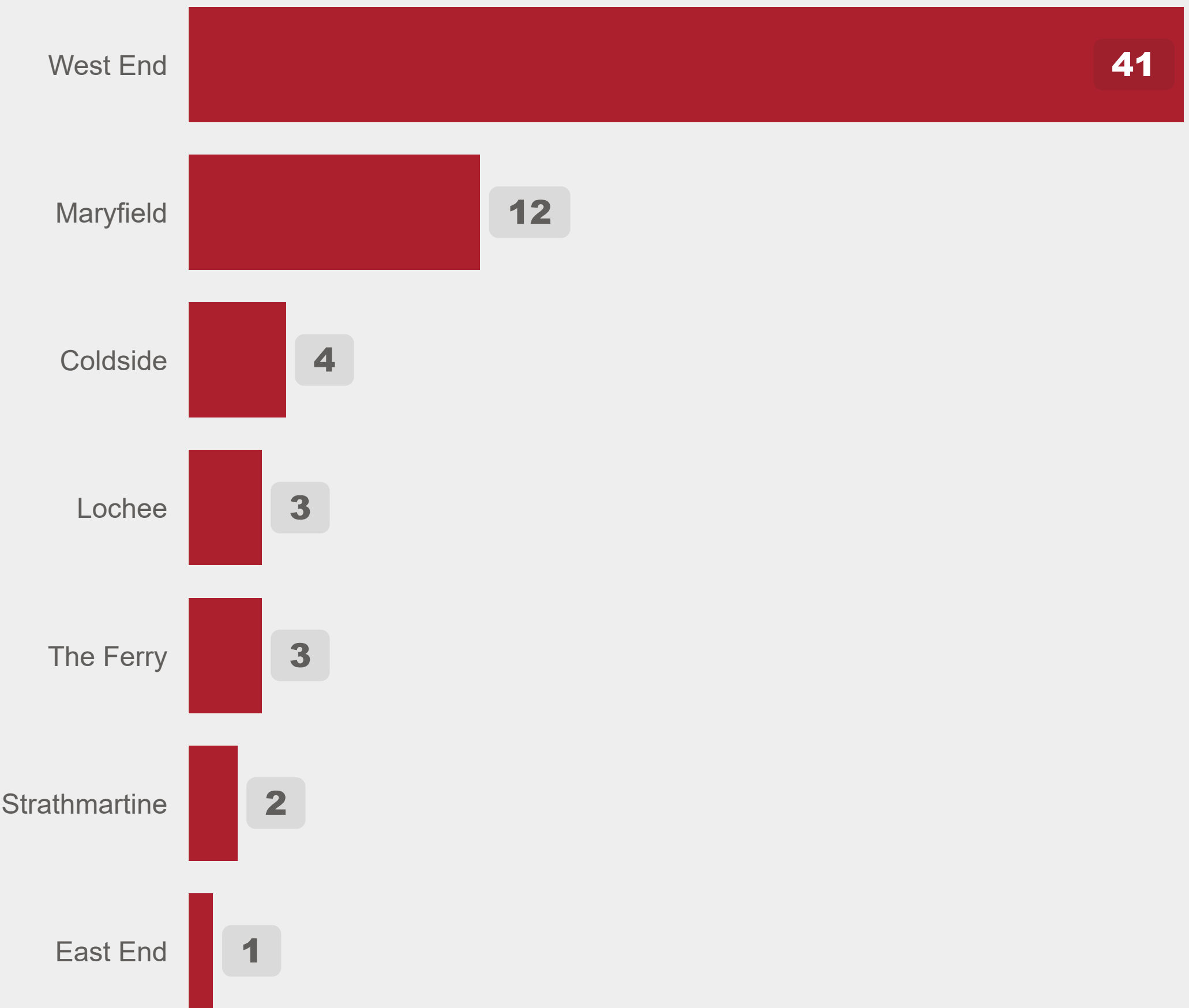
HFSVs by Ward



11. Fire Safety Enforcement

Job Type	Count
Audit	66
Specific Visit	18
Fire Engineering Consultation	16
Consultation	8
Short Post Fire Audit	2

Audits by Ward



Our dedicated Fire Safety Enforcement Officers continue to audit relevant premises that fall within the scope of the Fire (Scotland) Act 2005 to ensure compliance with their statutory responsibilities. Several Post Fire Audits were carried out with no patterns or trends being identified across the premises audited. Support and guidance was given to improve fire safety management in the workplace in relation to the cause of the incident.

Ongoing work with Dundee City Council to consult with and support the licensing of Short Term Lets throughout the city continues. Fire Engineering consultations were also completed, along with a number of other consultations and specific visits ranging from high rise building inspections and HMO visits to resolving complaints and concerns.

12. Community Safety Engagement & Partnership Working Q1

Community Fire Station Open Day



Local SFRS personnel hosted a station open day at Macalpine Road Community Fire Station in April. This allowed SFRS to engage with local communities, with an estimated 1200 people coming through the doors. The event was extremely popular and included the attendance of Lord Provost Bill Campbell and Cllr. Lynne Short.

The aim of the event was to provide a free fun filled day for the public to attend over the Easter weekend, in collaboration with our partners from public, private and third sector. The SFRS Spring Thematic Action Plan (TAP) and the Dundee Partnership City Plan were used to shape the day and ensure the correct partners were involved. We delivered fire and water safety messaging to a large numbers to people and provided a free lunch through our partners at The Rapid Relief Team who served approximately 850 burgers, with 200 filled rolls, soup and crisps provided by Tayside Contracts.

We set out to provide fun activities for the people attending especially children, this was achieved by providing an arts and crafts stall, bouncy castle, beat the goalie and an Easter egg hunt to name a few. The Army and Sea cadets also attended to provide young people with an opportunity to sign up for their groups, potentially reducing youth Anti - Social Behaviour (ASB) through diversionary activity, with a further focus on future employability prospects.

The event will hopefully have a lasting impact and further strengthen relationships between the SFRS, other blue light partners and the local community, to a reduce the number of deliberate fires and other ASB type incidents in this area. £800 of donations was raised on the day for the Firefighters Charity.

Dundee Schools Competition

Dundee Community Action Team (CAT) supported by operational crews delivered a schools competition involving six secondary schools and the four Community Fire Stations from across Dundee. It ran over a nine-week period with the concluding with a competition day at Blackness Road Fire Station on 30th May. Each school team had up to eight pupils and were taught pump, ladder and combined drills by operational staff at the station they were aligned to. They were also taught how to parade, carry out squad numbering and words of command. The aim of the competition was to strengthen relationships between Community Fire Stations and secondary school pupils in their area; thus reducing ASB, deliberate fire setting and acts of violence towards blue light agencies. For the Young People, the initiative helps build confidence, discipline and responsibility, which gives them a sense of achievement and a pride in themselves, their school, local community and the wider City. Many of the participants in the initiative are keen to embrace a career with SFRS following their hands-on experience, which gives them real focus and motivation around employability prospects.



Fire Related Anti-Social Behaviour Educational Initiative

SFRS and Police Scotland identified a growing trend of deliberate outdoor fires within Dundee in Q1. Utilising a partnership approach, Fire Related ASB (FRASB) presentations were delivered to 14 schools across the City that were identified in hot spot areas. The aim of the presentations was to highlight the impact deliberate fire setting can have on the SFRS and the consequential risks involved should our resources be tied up when a time-critical incident comes in. Local examples are also used to show the young people the negative impact these actions are having on the local environment in their community. This collaborative working with partner agencies to design and deliver appropriate initiatives to reduce the number of FRASB incidents, and the wider ASB within the communities, hopefully reduces demand on operational resource and improves firefighter, partner and public safety.

Work Experience

Dundee CAT completed work experience sessions with Harris Academy and St Johns RC High School during Q1. This involved three students from each school coming into the CAT for three days. These sessions allowed us to give an insight into the SFRS to the students. We gave them an experience of various roles and jobs included in the fire service, including prevention/partnership work, community engagement and operational elements. This allowed SFRS to strengthen our relationship with the students who could act as local champions at their school, promoting SFRS and positive behaviours.

Children's Car Seat Safety

SFRS staff attended events at Boomerang Community Center in Q1 and provided car seat safety advice. Two of our Community Safety Advocates have completed the Good Egg car safety training and during the events they provided advice to twenty-two parents and gave correction advice to three. This activity linked into SFRS seasonal Community Safety Calendars Child Safety Week.

13. Glossary of Terms

Term - What it means

ADF

Accidental Dwelling Fire.

HFSV

Home Fire Safety Visit.

PDIR

Post Domestic Incident Response, a term used to indicate actions taken following attendance at a fire or other incident in the home. PDIRs include amongst things the offer of a free follow up home fire safety visit.

RTC

Road Traffic Collision.

Special Service

Calls to incidents which are not fires or false alarms such as RTCs, rescues, flooding, incidents involving hazardous materials or the provision of assistance to other agencies.

UFAS

Unwanted Fire Alarm Signals. When an automatic fire detection and alarm system is activated as a result of anything other than an actual fire the activation is classed as a false alarm. If an attendance is made to such an event by the Scottish Fire and Rescue Service, then the event is recorded as an UFAS incident.

UFAS Policy Change

In response to COVID, on the 6th May 2020, the SFRS decided to send 1 pump to UFAS premises that did not have their own Predetermined attendance (PDA).

As of 1st July 2023, the COVID interim 1 pump response was ended and a new UFAS policy was implemented.

The new policy is to call challenge all UFAS incidents with the intention of non-attendance. Hospitals, care homes, and sleeping risk premises are all exempt and receive either 2 pumps or their premise specific PDA.

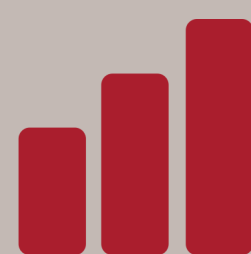
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SCOTTISH

FIRE AND RESCUE SERVICE

Working together for a safer Scotland



BUSINESS
INTELLIGENCE

Design, figures and charts by the Business Intelligence team.

OFFICIAL: POLICE AND PARTNERS

Dundee City Council
Dundee City Council Scrutiny Committee
Report No 288-2025

DUNDEE LOCAL POLICING AREA

QUARTERLY POLICE REPORT

1 April 2025 – 30 June 2025

Report by Chief Superintendent Nicola Russell
Police Scotland D Division (Tayside)

1. RECOMMENDATION

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

2. BACKGROUND

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

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

3. PERFORMANCE

3.1 Appendix A will provide updates on:

- Reduce the stigma and harm of drug use.

- Target those involved in drugs supply
- Address violence through preventative and enforcement measures
- Deal with disorder and antisocial behaviour
- Tackle acquisitive crime and support victims
- Make our roads safer

4. FINANCIAL IMPLICATIONS

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

5. STAFFING IMPLICATIONS

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

6. ENVIRONMENTAL ISSUES

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

7. SUMMARY

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

8. COMPLIANCE

Is the proposal;

(a) Human Rights Act 1998 compliant? YES

(b) Equality & Diversity compliant? YES

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Dundee City Council Scrutiny and Audit Committee
Quarter 1 ending 30th June 2025

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Contents

Introduction and Overview of Local Policing Priorities

Police Scotland's strategic objectives

Dundee City Local Policing Plan 2023-2026

Quarter 2 Performance on a Page:

- Reduce the stigma and harm of drug use.
- Target those involved in drugs supply
- Address violence through preventative and enforcement measures
- Deal with disorder and antisocial behaviour
- Tackle acquisitive crime and support victims
- Make our roads safer
- Embed environmental responsibility into current and future planning and estate management.

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Introduction and Overview of Local Policing Priorities

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

This report covers the period from 1st April 2025 – 30th June 2025.

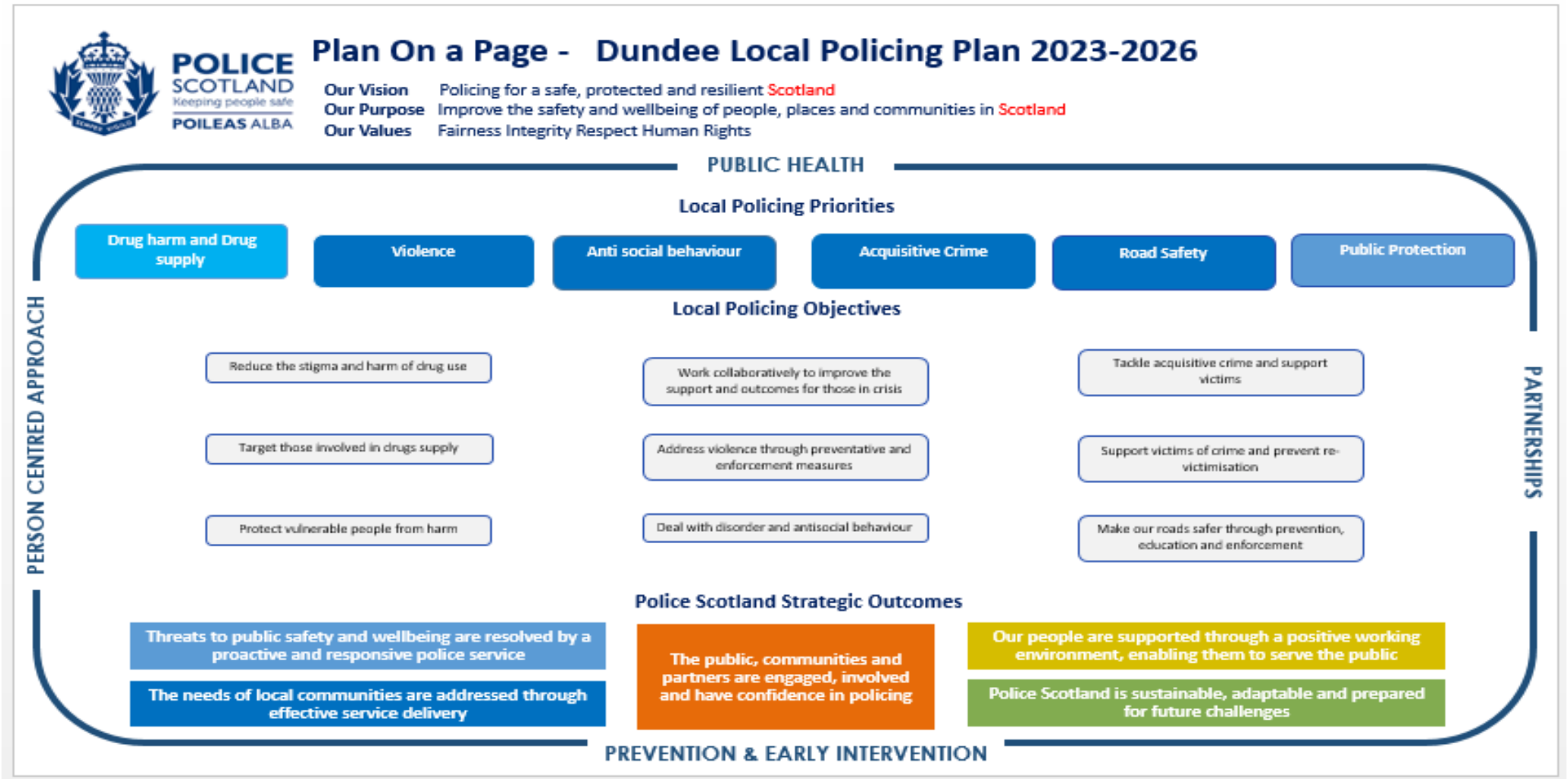
In line with the Dundee LPP, the Quarterly Performance Report provides a more holistic overview of progress across the service to meet our strategic outcomes. This approach provides a wider and more detailed picture of traditional policing performance measures, supplemented with additional insight and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

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

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

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

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



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**Quarter 1 –
Performance on a
Page**

Quarter 1 – Performance on a Page	Recorded Crimes			%Change		Detection Rate			% point Change	
	CYTD	LYTD	5 Yr Av.	From LYTD	From 5 Yr Av.	CYTD	LYTD	5 Yr Av.	From LYTD	From 5 Yr Av.
ASB and Disorder										
Overall group 4	476	419	435.80	13.60	9.2	60.60	61.1	64.1	-0.5	-
ASB Incidents	3055	3031	3647.8	0.8	-16.3					
Violence										
Robbery	33	42	42	-21.43	-21.4	54.55	69.0	66.7	-14.5	-12.15
Serious Assault	36	24	32	50	12.5	69.44	75.0	73.1	-5.6	-3.66
Common Assault (excl EW)	510	493	489.6	3.45	4.2	66.67	66.9	64.6	-0.3	-2.07
Public Protection										
Overall Group 2	167	119	130.80	40.34	27.7	86.23	51.3	63.1	35.0	23.13
Rape	38	20	22.80	90.00	66.7	100.00	65.0	81.6	35.0	18.4
Domestic Abuse	483	398	403.8	21.4	19.6	70.4	65.1	68.2	8.2	3.2
Road Safety										
Speeding offences	59	89	147.20	-33.71	-59.9	100.00	97.8	99.7	2.2	0.3
Drink / Drug Driving	69	60	76.60	15.00	-9.9	97.10	104.8	95.3	-7.7	1.8
Acquisitive Crime										
HBs	54	111	114.8	-51.35	-53.0	14.81	45.9	34.8	-31.1	-19.99
Motor Vehicle Crime	133	143	176.60	-6.99	-24.7	30.83	32.9	29.3	-2.0	1.53
Fraud	132	146	149.40	-9.59	-11.6	17.42	15.8	19.9	1.7	-2.48
Shoplifting	825	528	400.60	56.25	105.9	44.24	44.1	42.8	0.1	1.44

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

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

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- **Local Priority/Activity - Reduce the stigma and harm of drug use.**

Police Scotland remain a key partner within the Dundee Alcohol Drugs Partnership (ADP) and work together with services, communities and people with lived experience to understand our local communities and how best to support them. The ADP influence change in policy, systems and institutions and work to reduce the misinformation and stigma about alcohol and other drugs.

The Substance Trend Monitoring Meeting continues to meet with regular interventions and preventative messaging being shared through the respective multi-agency forums, to ensure an encompassed approach is applied from both a health and policing perspective.

Our partnerships team have been continuing to contribute to the daily Dundee Non-Fatal Overdose meeting sharing relevant information regarding those most at risk due to their use of illicit substances.

The Overdose Prevention Group continues to meet on a bi-monthly basis to ensure a co-ordinated response in the identification and emergence of substance related trends, ensuring appropriate interventions and preventative messaging is applied through the respective multi-agency forums, from both a health and policing perspective.

Regular use of the Public Health Scotland Forum RADAR (Rapid Action Drug Alert and Response) to monitor changes in drug trends and further harms, is further applied to monitor local and national alerts with appropriate escalation through health where required.

In Q1, Partnerships Officers and representatives from 'With You' Dundee supported a visit to local Police HQ, by Medical Students based at Dundee University, raising awareness around the impact of substances whilst highlighting the various mechanisms in place to safeguard those at risk of harm.

Between 1st April and 30th June 2025, there were 6 Police naloxone incidents recorded in Dundee where nasal Naloxone has been administered by a police officer to persons suspected to be in a state of overdose.

In looking forward towards International Overdose Awareness Day on 31st August, several internal CPD events have been promoted nationally, giving officers the opportunity to learn more about drug harm, hear lived experiences and better understand emerging threats and risk.

- **Local Priority/Activity - Target those involved in drugs supply**

Tayside Division's Serious Organised Crime (SOC) Team are a specialist sub-department within the Criminal Investigation Department and lead locally on the investigation of SOC where intelligence is developed up to a point where diversion, disruption, or wider enforcement can take place. During Quarter 1, the SOC team executed 10 drugs search warrants at addresses across Dundee, securing significant cannabis cultivations, various quantities of cocaine and ecstasy, along with knives and weapons. 13 persons have subsequently been reported in regards these operations, which involve significant development and planning, in order to carry them out safely and effectively.

Police Scotland remain committed to acting on community intelligence in respect of drug dealing activities and as a result, there have been several drugs search warrants executed across the city during this quarter. Community Officers deliver 'Ditch the Dealer' leaflets to surrounding properties where Drugs Search Warrants have been executed, to provide reassurance to neighbours and ensure they have the correct details for reporting issues to Police/Local Authority. Further, if intelligence is received that there is drug dealing activity at a specific address, but there is insufficient intelligence to obtain a Drugs Search Warrant, Community Officers are tasked with delivering these to surrounding properties to build the intelligence picture with a view to progressing to a warrant application.

Locally, there is excellent cooperation between officers from Operation Argonite and local Policing Teams, who are regularly developing intelligence to move enquiries to an enforcement stage in regards local level drug dealing. In the Downfield area, a number of combined plainclothes patrols have taken place, with the focus on targeting drug misuse and associated anti-social behaviour. Across in Lochee, officers executed a Drugs Search Warrant, seizing dealer quantities, along with weapons. 3 adults males were subsequently reported for these offences. City-centre officers carried out plainclothes patrols, targeting ASB, acquisitive crime and drug dealing, carrying out intelligence-led stop/searches, which contributes in our efforts to disrupt local dealing, as well as providing a presence to deal quickly with any drug related disorder in the city-centre.

Partner Intelligence Portal

Crimes such as child sexual abuse, human trafficking, sexual offences or domestic offences are often concealed from authorities, and may have occurred recently or in the past, all of which contributes to challenging, complex and sensitive enquiries. It may be that our partners have information which could be vital in contributing to a bigger picture.

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The Partners Intelligence Portal is a secure and confidential electronic system, developed by the Police Service to enable partner agencies to share important information they receive whilst working. The portal provides capable partners with the means to securely and discreetly submit key information, whilst maintaining safeguards which protect the source of the information.

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

Tackling violent crime is part of Police Scotland's focus in ensuring the safety and wellbeing of our communities and as such the Tayside Violence Strategy has recently been reviewed and refreshed. The Plan supports the delivery of prevention, disruption and detection activities under the workstreams of:

- **PREVENT – Proactively stop crime before it occurs**
- **PREPARE – Build and sustain effective partnerships and manage violence prevention initiatives**
- **PURSUE – Investigation and Enforcement**
- **PROTECT – Safeguard individuals and communities from harm**
- **WORKFORCE PROTECTION – Reduce officer / staff related violence**

The plan ensures appropriate resource and focus is put on the areas identified as the highest risk, opportunities for engagement are utilised to educate the communities on harm caused and to build long term partnerships which can work collaboratively to address underlying issues which are recognised as having links to violent crime. The plan also supports officers and teams through inclusion of actions to protect our people and ensures a clear understanding of the Division's focus on addressing violence in our communities.

This report provides a detailed breakdown of the levels of violent crime recorded and investigated within the Dundee local authority area during the current performance year, whilst exploring the current trends and perpetuating factors which are central to the commission of these crimes. The report will demonstrate the strategic and tactical approach adopted by Police Scotland in respect of crime prevention, investigation, and enforcement activity, highlighting the broad range of resources which are deployed daily to protect our diverse communities and deliver a sense of public safety.

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

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

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

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

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

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

Every morning senior managers meet to discuss each incident of note and assign each case to the appropriate department to review and investigate.

Tayside Division Community Analysts produce a monthly 'Violent Crime Report' which allows senior officers to analyse reported crimes of violence in Dundee and react to emerging trends, deploying both local and national resources on an 'intelligence led' basis to prevent crimes of violence from taking place. This detailed approach to Tasking is governed via monthly Tasking and Coordinating Group meetings which are chaired by the Divisional Commander and attended by the full Senior Leadership Team. A dedicated monthly Violence Reduction Group will also be created, bringing together key internal stakeholders to shape and direct our response to violence across the division.

Our 'crime management' department ensures that each crime is properly recorded and that a robust professional investigation is delivered. Line managers across local policing, CID and PPU routinely assess crimes under investigation to ensure that these investigations are being progressed at pace and that vital safeguarding for victims is in place.

Through this combination of strong governance, statistical analysis, and careful tasking we can focus our resources effectively to maximise detection rates, limit repeat offending and prioritise crime prevention activity.

Murder

There has been one murder during the reporting period. This related to a death of a male who died during a disturbance within an address in the Douglas area of the city.

The accused was arrested at scene and later charged with the offence. The family of the deceased were supported by specialist officers and accused was remanded in custody following an appearance at Dundee Sheriff Court.

Attempted Murder

There have been nine attempted murders in Dundee which is a rise from the six reported during the previous reporting period and three within the corresponding period last year.

CID investigated all the incidents. None of the offences are connected and all have been detected with perpetrators arrested and charged.

Vehicles were used as weapons in three of these offences and were intentionally driven at victims, although no severe injury was actually sustained.

Serious Assault

The definition of a serious assault ranges from any injury which requires medical closure technique i.e. stitches or glue to broken bones and internal injuries. Therefore, severity of injuries within this category ranges from facial injuries requiring minimal closure techniques sustained from a single punch to broken bones or serious lacerations sustained during prolonged attacks where weapons are used.

The most significant and concerning rise is in the number of serious assaults which have risen from 36 this year to date compared to 24 last year. A number of these offences appear to relate to criminal feuds and investigations are hindered by non-engagement from the complainer / witnesses.

So far, 26 of these crimes have been detected, giving a current detection rate of over 70%. A number of these investigations are ongoing with positive lines of investigation being pursued such as identified suspects, and forensic examinations pending.

Serious assault and violent crime are overseen by CID. A Detective Sergeant will review circumstances and have a footprint on the crime if CID do not have ownership. The Detective Inspector responsible for the CID in the Local Policing Area will ensure undetected crimes of this nature are subject to regular scrutiny / review to ensure all investigative opportunities are identified and progressed in a timeous manner.

From analysis of these recorded assaults 16 occurred within residential properties where the accused was known to the victim and 14 within open space. Most of these incidents involved punching and kicking the victim to the head and body causing injury whilst 9 involved the use of weapons such as knives and blunt objects.

Robbery

Crimes of Robbery, Assault and Robbery, and assaults with intent to Rob are recorded within this section. These crimes include any threat of violence or inference of any kind sufficient for incidents to be recorded.

These crimes are predominately investigated by Detective Officers supervised by a Detective Inspector. Crimes of this nature are a divisional priority, and a robbery toolkit has been developed to ensure consistency of investigative practice and provision of support to victims.

Within Q1, 37 robberies were reported which is an increase from the 24 reported during previous quarter, however lower than the 42 reported during the corresponding period in the previous year.

Of these 37 offences 21 were detected with a detection rate of just below 57%. Several investigations are ongoing with identified suspects and outstanding forensic analysis meaning it is anticipated this figure will rise.

Analysis revealed 18 of these offences occurred in open space, whilst 17 occurred within residential premises.

Weapons such as bladed items, bottles and bats were used in 8 crimes whilst physical violence such as punching and kicking was used to obtain property were commonly used in several offences. In 8 crimes the threat of violence was used to obtain property from the victim.

In many cases, a review of the crime reports shows that in most cases the victim and suspect/accused were known to each other prior to the robbery and several investigations are still ongoing.

In many cases both will have addiction issues, and the crime is committed to fund addiction. This creates barriers to witness engagement which can be challenging as Police are then reliant on independent witnesses / additional sources of evidence to establish circumstances.

Sexual Offences

Within Q1, there was an increase in recorded Group 2 crime of 38% on last year, with an overall detection rate improvement of 35.8%, and a current detection rate sitting at 86.2%, which is extremely positive.

There were 38 reports of rape recorded within Q1 in Dundee, with 29 victims, highlighting the tragic reality that most complainers are likely to be victims of multiple offences, mostly perpetrated by persons who are known to them, either through a domestic or family relationship. The detection rate for rape has risen to 100%, a 35% improvement on last year.

Of that 38, 7 reports of rape were committed within the Q1 reporting period. This is typical of Group 2 offending, which also includes non-recent reporting. Despite the complexity of such non-recent investigations, these non-recent crime reports should be interpreted in positive terms as they clearly demonstrate a willingness by complainers to engage with police, even regarding older matters, confident that they will be listened to and their reports acted upon.

3 of the 38 reported rapes took place in public areas, demonstrating that most sexual offending takes place within the private space, reducing the opportunities for direct prevention through police patrols and directing our focus in support of education and deterrent through thorough investigation and support from criminal justice partners at each stage of the process.

In respect of reports of Attempted rapes in Dundee (from 1 last year to 5 this year) these 5 offences relate to 4 complainers. 2 of the 5 crimes were committed in 1963 and 1 crime was committed in 2019 but all 5 were reported to police and recorded in this current financial year.

The increase in prostitution offences is commensurate with the significant multi-agency focus on Operation Begonia, targeting perpetrators who exploit vulnerable women through the purchase of sex.

All serious sexual offence investigations continue to be conducted by specially trained Sexual Offence Liaison Officers (SOLOs) and are directed by a Senior Investigating Officer (SIO). Any offences involving child victims are investigated by specially trained Child Protection Investigators and for any child reporting serious sexual offending they will be supported to provide their evidence under the Scottish Child Interview Model (SCIM) and will be seen in suitable facilities across Tayside.

Rape and sexual crime are complex, and investigations are often protracted and take longer to bring to a conclusion. Serious sexual crimes are subject to regular reviews to ensure that all available lines of enquiry are identified and progressed, and we continue to engage with local partners to ensure victims are referred for support and perpetrators who are deemed to pose significant risk are targeted to minimise risk to others.

When dealing with more complex or large-scale investigations, we can reach into national resources, including the National Child Abuse Investigation Unit and the National Rape Taskforce, who can bring additional specialisms and significant experience to bear.

Positively, we should highlight the 75% drop in offences related to Threatening or Disclosure of intimate image (so called 'revenge porn'). Given that this crime type predominantly relates to online offending, the combination of a national communication strategy and wider direct intervention from social media platforms, following increasing national pressure, has undoubtedly made an impact.

PREVENTION

Police Scotland remains committed to working with Partners in the public, private and third sectors to ensure our approach to Public Protection is focused, meaningful and collaborative. The Partners Intelligence Portal remains a key mechanism for agencies to securely and discreetly share key information, whilst maintaining safeguards which protect the source of the information. Over Q1 training sessions have been delivered to

representatives from DCC Housing/ TCA/ DVVA/ WRASAC and Social Work, with further inputs scheduled for Q2 across the partner base in Dundee.

Over the quarter partnerships officers have remained committed to raising the awareness of County Lines and Cuckooing holding several positive engagements across the city with different services including local taxi companies, homeless units, hotels and various partner agencies. Supporting posters and leaflets were further provided with training opportunities also signposted.

Driving awareness around recognising the signs of exploitation remains a key area of focus with County Lines and Cooking training delivered to the team at Hope Point, further training also scheduled for Q2.

Working in conjunction with DCC Anti-Social Behaviour Team and the SARC (Safety Alarm Response Centre) hotspot areas have been targeted with preventative messaging relating to County Lines, ASB and drugs, highlighting reporting mechanisms through the respective agencies, with over 1000 leaflets distributed.

Further to the launch of Operation Begonia last quarter which saw the focus on building safer communities and supporting victims involved in commercial sexual exploitation, Partnerships officers have maintained focus with partner agencies on the development of support mechanism and safeguarding.

Each locality across Dundee has also benefitted from the presence of our Violence Prevention patrols, operating predominantly in the evenings, able to quickly respond to instances of public violence, to deter further offending and reassure the local community. These patrols can be easily flexed, depending on data driven demand or high-profile incidents.

Tackling violence has been a priority for our CPTs, achieved through a focus on hot spot locations, domestic offenders, priority nominals and outstanding apprehension warrants linked to violent offences. Officers have completed pro-active additional contacts with high-risk victims and offenders of domestic abuse, maximising the safeguarding of victims by reinforcing safety plans and ensuring offenders are adhering to bail conditions.

Our Community Policing Team complete ongoing reviews of Cat A Apprehension Warrants linked to violence in the locality. This ensures offenders are arrested quickly, reducing opportunities for further offending.

St. Johns High School will be piloting the Fearless campaign in Dundee, which Downfield CPT are actively supporting within the school. This is aimed at raising awareness around knife crime and is not exclusive to schools given the reach being designed for young people across local communities, with proposed pilots being developed for local consideration.

- **Local Priority/Activity – Deal with disorder and antisocial behaviour**

PREVENTION

Partnerships Officers continue to support a collaborative approach to tackling anti-social behaviour, working with partner agencies across the city including Anti-Social Behaviour Team (ASBT), DCC Housing, Housing Associations, DCC Building and Trading Standards, with an overarching aim of reducing the impact on local communities.

Currently there are 101 live ASBO's in place across Dundee with 29 breaches recorded across Q1. Ongoing multi-agency actions to address these ASBOs include:

- Weekly discussions with respective agencies where appropriate, to ensure proportionate action is taken with outcomes monitored and reviewed.
- Progression of joint visits where appropriate or required, ensuring a co-ordinated approach.
- Support to the Quarterly MATAC, focusing on emerging trends/ repeat locations from an ASB perspective.
- Monitoring and reviewing incidents relating to ASB with relevant calls shared where appropriate in accordance with Data Protection Governance, to facilitate appropriate action such as tenancy & ASB warnings, ASBO progression and occasionally eviction proceedings.
- Working with partners to raise awareness around Equality, Diversity and Inclusion in the delivery of safer communities, Partnership Officers have delivered awareness inputs on Misinformation, Third Party Reporting and Hate Crime Training, with further engagements planned in Q2 with Mears, DCC Humanitarian Team and student services at Dundee University.

Partners continue to focus on the development of the new format for 'Safe Taysiders', which is a Partner Roadshow delivered in primary schools led by DCC Community Safety Team. The process involves a series of learning activities to promote safety messages, community responsibility and raise awareness around a range of topics including violence, online safety, and Anti-social behaviour.

Night-time economy:

During Quarter 1, the licensing team have processed 1,280 licence applications for the Dundee area. This included applications for occasional licenses to allow premises to have additional outdoor areas, grants and renewals for taxi operators/drivers. This also included renewals and grants of House in Multiple Occupancy (HMO) and Short Term Lets.

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

OFFICIAL

There were 10 inspections carried out throughout Dundee, with zero premises identified as problematic during this period.

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

The licensing team continue to work collaboratively with SIA and UKBA within Dundee City carrying out joint inspections and enforcement

Work has continued in relation to repeat callers, the majority of which relate to anti-social behaviour. Through collaboration with the DCC ASBT and Housing and Tenancies, many of the ongoing issues have been resolved, either through early intervention or enforcement action. As an example, to address repeat calls from residents regarding the anti-social behaviour of a problematic neighbour,

Youth Engagement – Police Scotland have been working with partners including CLD (Community Learning and Development) workers, DCC ASBT Youth Workers and SFRS to develop youth engagement and awareness raising opportunities, to divert young people from anti-social behaviour.

Police Scotland Youth Volunteers continue to attend and support various engagements across the city supporting members of the public and partners in a variety of capacities, portraying a positive image to their peers and capably representing the organisation. Examples of their engagements include:

- Youth For Christ Haggis Hike
- Residential weekend supported by Navy and Army at HMS Caledonia for a leadership and teambuilding event.
- Lochee Park Easter Fun Day
- VE Day 8th Anniversary Parade
- Westfest at Magdalen Green.
- Dundee Pride Event
- Dundee Race for Life

Community Policing Teams have arranged a multi-agency location-based engagement opportunity, which provided a platform for residents to share their experiences, whilst also allowing services to explain the steps being taken to resolve the situation and manage community expectations. This approach helped strengthen trust and support of the ongoing work, which, in one particular case, led to the individual in question being arrested and held on remand, strengthening ASBTs position when pursuing legal avenues to evict the female.

OFFICIAL

In response to information gathered around locations that the public are concerned about, Downfield CPT have engaged with staff and community members at Coldside Library. Alcohol related anti-social behaviour at this location significantly disrupted the safe and welcoming environment for staff and visitors alike. Through investigation, evidence was gathered and those responsible were arrested, and appropriate safeguarding conditions have since been put in place to prevent further disruption. Downfield CPT worked closely with the PIP and the library to address ongoing safety concerns, including conducting crime prevention surveys. Based on this, several safety recommendations were made and have now been fully implemented which have helped alleviate concerns.

Longhaugh Community Policing team have worked in partnership with SFRS to raise awareness around anti-social behaviour related to fire raising, delivering inputs to primary and secondary pupils, with good engagement and positive feedback.

Lochee Community Policing team have given particular attention to Lochee High and the Stack Retail Park, after receiving reports of anti-social behaviour by persons also under the influence of drink or drugs.

- **Local Priority/Activity – Tackle acquisitive crime and support victims**

Housebreaking (Domestic Dwelling)

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

There were 30 crimes recorded during the Q1 period, which is an increase from the 27 reported during the previous quarter and almost identical to the 31 crimes recorded during the corresponding period the previous year.

Approximately 10% of these crimes have been detected to date. Several enquiries are ongoing with forensic results pending and positive lines of investigation being pursued meaning this figure will rise. These crimes are now overseen by a Divisional Acquisitive crime team within CID, which means that they will either be investigated or at least reviewed by Detective Officers, under supervision of a Detective Sergeant and Inspector.

This approach ensures that cross border crime series are identified quicker and maximises intelligence / evidential opportunities in relation to stolen vehicles/property.

Fraud

135 crimes of Fraud were recorded this quarter, which is a decrease from the 159 crimes reported the previous quarter and the 146 recorded during the corresponding period last year.

The challenge when dealing with online fraud is that many of the perpetrators of these crimes are located out with the UK, providing an additional barrier to their identification and opportunities to bring to justice.

Over a third of the offences were committed in retail premises and involved fraudulent use of stolen bank cards.

About 22% of these offences were detected, however due to the complex nature of fraud enquiries are protracted and take a significant amount of time to complete which will impact upon these figures.

Motor Vehicle Crime

Within Q1, 138 crimes were recorded, which is a decrease from 159 crimes recorded the previous quarter and from the 168 recorded within the corresponding period last year.

About 28% of these offences were detected, however there are several crimes still under enquiry, so further detections are possible.

Theft Shoplifting

This offence type continues to trend, in line with increases across the UK, but the introduction of Digital Evidence Sharing Capability, Body-worn Video and the fast-tracking of cases through the Criminal Justice Summary Case Management process, ensures that our ability to intervene effectively with offenders is ever improving. Police Scotland is committed to tackling theft by shoplifting and recently launched the National Retail Crime Unit, which can provide expertise and funding to local areas. Tayside Division has already successfully submitted a funding bid, in order to support additional targeted patrols in key areas, such as the city centre, where local plainclothes patrols have already been stepped up, given the recent opening of the Frasers store within the Overgate. Officers have been focusing on deterring shoplifters from targeting this new addition to the retail sector in Dundee and have had positive engagement with local management, ensuring staff are trained and knowledgeable.

Of note, BP Kingsway West was identified as one of the most prolific venues for theft shoplifting nationally. As such, Lochee CPT worked tirelessly, in conjunction with local staff to improve prevention measures and to identify the most significant offenders. Following a comprehensive enquiry, 7 persons were reported to the court for 186 theft shoplifting offences. Local officers will continue to work with staff at the store to deter and detect further offending, in recognition of the impact that such repeated acquisitive crime can have on businesses, staff and the wider community.

PREVENTION

Dundee LPA is supported by officers from the Partnerships, Interventions and Preventions Team (PIP), who carry out daily reviews of local acquisitive crime, highlighting trends or crime series and identifying opportunities to offer advice or signpost victims to support.

Partnerships officers continue to respond to ongoing and emerging trends relating to acquisitive crime including Theft HB's (domestic and commercial), frauds/scams, building site security and cybercrime releasing supporting messaging/ information and advice on all available platforms, further engaging with the community proactively as and when required.

During Q1 a number of engagement opportunities with partners and the wider public relating to acquisitive crimes were actioned as detailed:

- Scam awareness input delivered to local community groups with examples including a sensory group, over 60's group and a sheltered housing complex with positive networking to facilitate future engagements.
- In support of Dementia Awareness Week, a scam awareness stand was facilitated in the Overgate Centre Dundee, highlighting support mechanisms.
- Attendance at a fraud event at the TSB situated in Dundee City Centre, raising awareness around scams and banking protocols.

OFFICIAL

- Continued liaison with the Community Safety Wardens in Dundee around domestic housebreakings, with follow up leaflet drops arranged and several home safety visits undertaken.
- Crime Prevention follow ups carried out for commercial housebreakings with advice given through a specifically trained officer where required.
- 'Secured By Design' meeting with Hillcrest Housing re access control/door entry for new builds.
- 'Design Out Crime' Officer final inspection conducted at Hillcrest's Trades Lane mid-market rental flats Development, confirming CCTV to be installed to assist in deterring drug related ASB, with Gold accreditation granted.
- Vacant and Derelict building multi-Agency group meeting attended with supported attendance to site visits to inform risk assessments and application of preventative measures.

Local Priority/Activity – Make our roads safer

Dundee LPA has suffered no fatalities during Q1.

Dundee LPA have had 6 persons seriously injured due to road traffic collisions over Q1.

During the period under review the following initiatives were prioritised:

- 'Fatal 5' Campaign
- Motorcycle Safety Campaign
- 2 Wheels Campaign

Road safety enforcement continues to be carried out as part of routine business by the Road Policing unit (RPU) and Divisional Officers. Focused patrol work will be complemented using available technology and databases, intelligence target packages and specific tasking resulting from Local Tasking and Coordinating processes to tackle criminality on the road network.

Local policing and RPU officers have targeted driver behaviour in line with Force Objectives which we believe will have the greatest impact on casualty reduction and address community concerns.

Enforcement activity has concentrated on the 'Fatal 5' which are: Dangerous/Careless driving, drink/drug driving, speeding, seatbelt offences and use of mobile phones whilst driving.

Based on strategic assessment, several priority locations have been identified in Dundee which were subject to focused operational activity, including the A90 and A92.

Rider Refinement North has commenced with courses fully booked in the Tayside area until October.

The New Driver Scheme (NDS) continues to be successfully delivered in both the education and employment sectors across Tayside.

Within Q1, as part of the Fatal 5 campaign and focusing on Pedestrian Safety, Community Policing Teams have attended at school exclusion zones to provide education and enforcement with drivers using pedestrian zones.

In May, a number of local probationary officers were deployed to assist RPU colleagues with Elderly Drivers Initiative where they built their confidence in stopping vehicles and public engagement on more routine RPU matters but also more exposure to an ongoing community led

initiative. There was also assistance provided to RPU and DVSA which gave them exposure to high-speed roads and Heavy Goods Vehicle (HGV) enforcement through mechanical exams / tachographs etc.

The on-going Motorcycle Safety Campaign resulted in multiple offences in relation to these crimes detected within the division. Several weekends were dedicated to this enforcement action.

Officers have had some notable drink/drug driving detections and recovered several stolen vehicles as well as carrying out intelligence led patrols targeting known offenders

Dundee officers remain committed to Operation Challenge, focusing on detecting and disrupting those involved in the anti-social, reckless, and criminal use of e-motorbikes and off-road motorbikes. Downfield CPT have created a local guidance and intervention strategy to establish a common response plan and highlight considerations to be taken when reports are made when these vehicles are being driven out with the bounds of their conditions of use. During this period, there has been two operations conducted along with specialist resources from Road Policing Unit and the Drone Unit. The ongoing work from all teams has resulted in 23 individuals being identified and reported for road traffic offences across the city. 7 off road / e-bikes were seized during this quarter.

Community Policing Teams, in conjunction with Parking Attendants from Dundee City Council, have attended at several of the schools that form part of the School Streets Programme, in order to monitor compliance. Of note, 33 Fixed Penalty Notices were issued to drivers for entering the prohibited zone at St. Andrews Primary School during restricted times. They have also conducted speed awareness initiatives, along with Police Scotland Youth Volunteers in hot-spot areas across Dundee, stopping and educating drivers around safe speeds.

REPORT TO: SCRUTINY COMMITTEE - 24 SEPTEMBER 2025

REPORT ON: INTERNAL AUDIT PLAN UPDATE AND PROGRESS REPORT

REPORT BY: CHIEF INTERNAL AUDITOR

REPORT NO: 250-2025

1.0 PURPOSE OF REPORT

To submit to Members of the Scrutiny Committee an update on the progress towards delivering the 2025/26 Internal Audit Plan; the audits from previous years' plans that were not complete in June 2025, and information about the number of open internal audit recommendations,

2.0 RECOMMENDATIONS

It is recommended that the Committee:

- (i) note the progress with the Internal Audit Plan, including the identification of the IT audits to be undertaken,
- (ii) agree to postpone the audit of Employability Services into the 2026/27 audit plan; and
- (iii) note progress with the implementation of agreed internal audit recommendations.

3.0 FINANCIAL IMPLICATIONS

None.

4.0 AUDIT PROGRESS

- 4.1 Appendix 1 notes the current stage of progress with implementing the 2025/26 Internal Audit plan and the outstanding items brought forward from the previous plans (the plan). It also includes the current position regarding previous years' internal audits with remaining open actions at 3 September 2025.
- 4.2 The Service has requested that we postpone the audit of Employability Services into the 2026/27 audit plan. A new merged team is being implemented, and it would be more effective to audit this after it has established itself.
- 4.3 Appendix 2 shows the total open internal audit recommendations by service, audit year and risk priority. Good progress has been made to implement and review and close open actions, with 25 actions closed since this was last reported in June 2025. New target dates have also been set for a number of actions, with only 8 now requiring a new target date to be set by the services, compared to 14 at June 2025.

5.0 POLICY IMPLICATIONS

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

6.0 CONSULTATIONS

The Council Leadership Team have been consulted in the preparation of this report.

7.0 BACKGROUND PAPERS

No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than containing confidential or exempt information) were relied on to a material extent in preparing the above report.

Appendix 1 - Internal Audit Plan update 2025/26 plus previous years' not reported by June 2025.

Appendix 2 - Outstanding Internal Audit Agreed Actions.

CATHIE WYLLIE, CHIEF INTERNAL AUDITOR

DATE: 4 SEPTEMBER 2025

Appendix 1 - Internal Audit Plan update 2025/26 plus previous years' not reported by June 2025

The tables below show the progress stage of each audit, and the overall assurance level provided from completed audit work. They also includes the numbers of remaining open actions for each report to allow members to assess if risks identified during the audit are now mitigated, or where risk remains outstanding.

Progress with previous years' audits not complete at June 2025

2022/23 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Final Status / Update	Assurance Level	Open Actions at 3Sept 2025				Closed Actions
					C	H	M	L	
Procurement / Contract Reviews									
Social Work Contracts and Payments	Review of contract management and commissioning arrangements, including payments, within Dundee Health and Social Care Partnership to assess their adequacy and effectiveness.	February 2025 Revised to December 2025	In progress						

2023/24 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level	Open Actions at 2 June 2025				Closed Actions
					C	H	M	L	
Procurement / Contract Reviews									

2023/24 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level	Open Actions at 2 June 2025				Closed Actions
					C	H	M	L	
SLAs with External Bodies	Assess the extent to which the Council has adequate service level agreements in place where Council responsibilities are delivered by external bodies. To include an assessment of arrangements to ensure satisfactory service delivery and value for money.	April 2025 Revised to December 2025	Draft report issued 20/5/25						
System Reviews									
Section 75 Planning Obligations (Contractor)	Review of the arrangements in place for the recording, receipt, and monitoring of Section 75 payments/planning obligations from Developers.	February 2025 Revised to December 2025	Draft report issued 12/11/24 Revised drafts 19/05/25 14/8/25						
Young People in Residential Care - Missing Persons Processes	Review of the arrangements for risk assessment, planning for, and prevention of young people going missing from Residential Care. To include review of processes for identifying, recording, and responding to such instances.	April 2025 Revised to September 2025	Complete	Substantial	-	-	5	2	-

2024/25 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level	Open Actions at 2 June 2025				Closed actions
					C	H	M	L	
Governance Reviews									
Partnership Working - Dundee Alcohol and Drugs Partnership	Review of the arrangements which underpin the Council's delivery responsibilities under the Alcohol and Drugs Partnership's Strategic Framework, including delivery plans, progress monitoring, and engagement with other members of the Partnership.	April 2025 Revised to September 2025	Complete	Comprehensive	-	-	-	-	-
ICT Reviews									
Service Cyber Incident Readiness (contractor)	Review the adequacy of design, and operating effectiveness of key controls, established in services to ensure delivery of their key activities to a minimum agreed level, during a cyber incident.	September 2025 Revised to December 2025	In progress						
Financial Reviews									
Capital Planning and Monitoring	Review of the procedures to oversee the implementation of Capital Plans, in line with the Council's Capital Investment Strategy, and monitor and scrutinise Capital expenditure.	February 2025 Revised to September 2025	Complete	Limited	-	1	1	-	-

2024/25 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level	Open Actions at 2 June 2025				Closed actions
					C	H	M	L	
MOSAIC system payments	Review of payment processes added mid-year at Service's request.	April 2025 Revised to December 2025	Draft report issued 14/7/25						
Systems Reviews									
Multi Agency Safeguarding Hub (MASH) Intake processes	Review of the administrative processes to support the Multi-Agency Safeguarding hub in taking timely, effective action on referrals in collaboration with Council Services and partner bodies.	April 2025 Revised to December 2025	In Progress						
Climate Strategy and Delivery Plans	Review to be conducted using a scope and audit programme being developed by SLACIAG for use across local authorities in Scotland.	June 2025 Revised to Sept 2025	Complete	Substantial	-	-	3	1	-
DHSCP Lead Partner Governance and Assurance Arrangements	To consider the governance arrangements in place to manage service planning and information sharing for Lead Partner Services	June 2025 Revised to February 2026	Planned						
Other Work									

2024/25 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level	Open Actions at 2 June 2025				Closed actions
					C	H	M	L	
Housing Stock (External Wall Insulation)	Review the processes, procedures and programmes relating to the implementation of the works identified as required after August 2021 by the report from the Design & Property Service.	June 2025 Revised to December 2025	Draft report in discussion						
External Quality Assessment Process	As part of the peer review process developed to ensure conformance with the PSIAS, complete External Quality Assessment (EQA) of the Council's Internal Audit Service. Self-assessment provided to reviewer November 2023. Review delayed during 2024, re-started in October 2024, but further delay by reviewer.	December 2024 Revised to December 2025	Draft report received July 2025 Final draft received 1 September						

2025/26 Internal Audit Plan - Progress Report

The following table includes the 2025/26 plan.

2025/26 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level	Open Actions at 2 June 2025				Closed Actions
					C	H	M	L	
Finance Reviews									
Cash Handling	Review of the arrangements in place within the Council for the management and handling of cash.	December 2025	In progress						
Treasury Management (Large Value Transactions)	Review of procedures for processing and authorisation of large value transactions involving Council funds.	February 2026	Planning						
HRA Budgetary Control	Review of budget management and monitoring processes in relation to Housing Revenue Account funds.	December 2025	Planned						
ICT Reviews									
Artificial Intelligence (AI) adoption	Review of ethics and governance in this area, potentially as an advisory review rather than an assurance audit - TBC	TBC	Initial discussion with Azets 21/8/25						

2025/26 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level	Open Actions at 2 June 2025				Closed Actions
					C	H	M	L	
Cyber Security supply chain management	Review of arrangements for management of cyber security within supply chains. This will cut across IT, Information Governance and procurement.	TBC	Initial discussion with Azets 21/8/25						
Governance Reviews									
Performance Reporting	Assessment of organisational performance monitoring arrangements within Services, and their consistency with key operational plans.	February 2026	Planning						
Information Governance (progress of GDPR Action Plan)	Review of Information Governance arrangements across the Council, including the progress of previous action plans.	December 2025	Planning						
Dundee IJB – Implementation and Monitoring of Directions	Review of the governance and operational arrangements for the implementation and monitoring of Directions from Dundee IJB to the Council.	TBC							

2025/26 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level	Open Actions at 2 June 2025				Closed Actions
					C	H	M	L	
Systems Reviews									
Asset Management	Review of the processes which ensure that the Council's asset management databases are complete, accurate, and kept up to date. To include processes for condition assessment.	Feb 2026	Brief agreed						
Employability Services	Review of the efficiency and effectiveness of the Employability pathway, and arrangements to implement the Scottish Government's <i>No one left behind</i> policy.	Originally December 2025	Proposed to postpone till 2026/27 plan						
Energy Management and Billing	Evaluation of the processes in place for energy metering and billing, including an assessment of value for money.	April 2026							
Business Continuity Planning	Review of the extent to which Business Continuity Plans are in place, up to date, and consistent with Council policies and guidance, considering emergency planning and Service incident readiness plans.	April 2026	Planning						

2025/26 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level	Open Actions at 2 June 2025				Closed Actions
					C	H	M	L	
Council Tax and Non-Domestic Rates refunds	Review of the processes and controls for managing Council Tax and Non-Domestic Rates refunds, taking cognisance of work already carried out within Digital and Customer Services on Council Tax Refunds.	April 2026							
DWP Appointeeships	Review of the arrangements in place within the Council for the management of DWP Appointeeship clients who are deemed incapable of managing their own affairs.	February 2026							
Homelessness	Review of the development and progress of the Council's plans to address Homelessness.	February 2026							
Immigration Sponsorship and Visas	Review of the processes by which the Council considers and manages recruitment applications from individuals overseas and/or requiring visa sponsorship, including the update of	December 2025	In Progress						

2025/26 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level	Open Actions at 2 June 2025				Closed Actions
					C	H	M	L	
	these policies and procedures in line with changing legislation.								
Payroll	Review of a payroll sub-process, to be selected in conjunction with Service management.	April 2026							
Schools Administrative Support	Review of the arrangements to provide administrative and office support to schools, including arrangements for backfill in the event of absence.	February 2026	Planning						
Self-Directed Support	Review of the arrangements for the uptake of and management of self-directed support within Children Services.	April 2026	Planning						
Other Work									
Parking Meter Procurement	Review of the procurement process for the tender with Project Number DCC/CD/111/24, to confirm that the procurement process used is consistent with Council procurement procedures and the requirements of the tender specification.	September 2025 revised to December 2025	In Review						

2025/26 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level	Open Actions at 2 June 2025				Closed Actions
					C	H	M	L	
Purchasing outwith Civica - Tranman	Review processes which are specific to the Fleet function for placing and approving orders, receipting, and approval of payments	September 2025 revised to December 2025	In Progress						
Purchasing outwith Civica - GVA	Review processes in relation to the ordering, approval, and payment for repair work to Council buildings which are administered through the GVA system and related processes.	September 2025 revised to December 2025	In Review						
Follow Up	Review of progress with the implementation of prior internal audit actions agreed by the Council, for the purpose of providing assurance to Elected Members that identified issues are addressed on a timely basis, and that management attention is appropriately directed towards issues which expose the Council to higher degrees of risk.	Each meeting	Ongoing	N/A	-	-	-	-	
Technical Development	Review and update of the Council's Internal Audit Methodology following the	On-going	In Progress	N/A					

2025/26 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level	Open Actions at 2 June 2025				Closed Actions
					C	H	M	L	
	implementation of Global Internal Audit Standards. Further refinement of the Council Audit Universe in consultation with Services. Development and implementation of a Data Analytics strategy and capability.				-	-	-	-	
Advice and Guidance	Provision of ad-hoc support to assist services in respect of specific queries and contribute to the delivery of improvements in the Council's framework of governance, risk management and control. This will include the ongoing provision of advice and guidance surrounding the development of newly implemented systems and processes, or the revision and update of those processes.	N/A	Ongoing	N/A	-	-	-	-	
GIAS (UK Public Sector) Quality Self-Assessment Process	Annual self-assessment for conformance with GIAS (UK Public Sector).	June 2026							
Specific Investigations	To respond to requests for advice and assistance as required in respect of	As required							

2025/26 INTERNAL AUDIT PLAN	Proposed Coverage	Target Scrutiny Reporting	Status / Update	Assurance Level	Open Actions at 2 June 2025				Closed Actions
					C	H	M	L	
	cases of suspected fraud, corruption or malpractice.								

Previous Years Internal Audit Plan - Progress Report (Audits with audit actions remaining open at 4 September 2025)

The following table shows the audits from previous years that still have outstanding actions, or where the final actions have been closed since we last reported. Once all actions are closed the report will be removed at the following reporting cycle. There is one report in that position.

Revised dates have been agreed where actions have past their original agreed completion date, however a small number of these are also now in the past and require a new target date to be set.

Previous Year's Audit	Open actions	Report Number	Reported to Scrutiny Committee	Report Assurance level	Open Actions at 3 September 2025			
					C	H	M	L
Lone Working	3 Warning Alerts	2017/07	During 2017/18 audit year	2 closed actions		1		
Follow-up Review of General Data Protection Regulations (GDPR)	7 Subject Access Requests ("SAR")	2020/19	April 2021	7 closed actions		1		
Payroll	1 Salary Additional Payments/Deductions	2021/01	June 2022	2 actions closed				1
Stocks and Inventories – 2020/21 Year End	2 Construction Services Stock	2021/03	Sept 2021	0 closed actions		1		
Fire Risk Assessments	3 Procedures and Controls for ensuring all Relevant Properties are Fire Risk Assessed – Housing Division as Part of Neighbourhood Services	2021/22	June 2023	3 closed actions		1		

Previous Year's Audit	Open actions	Report Number	Reported to Scrutiny Committee	Report Assurance level	Open Actions at 3 September 2025			
					C	H	M	L
Business Continuity planning		2021/23	Dec 2022	2 closed actions	-	-	-	-
Tay Cities Region Deal	1 Securing Business Case Approval	2022/08	Sept 2023	3 closed actions	-	1	-	-
LACD Financial Sustainability	1 Service Agreement 2 Monitoring 3 Service Level Agreements 4 Management Fee Plus 4 LACD actions	2022/09	June 2024	0 closed actions	2	2	-	-
General Ledger	2 Documentation of Controls 3 Cost Centre Structure 4 Monitoring Timetable	2022/17	Sept 2023	4 closed actions	-	1	1	1
Cyber Security	2 Documentation of Processes 7 Testing Response and Recovery Processes	2022/20	City Governance Feb 2024	5 closed actions	-	-	1	1
Procurement	2 Contract and Supplier Management 5 Waivers	2022/21	June 2024	2 closed actions	-	1	1	1

Previous Year's Audit	Open actions	Report Number	Reported to Scrutiny Committee	Report Assurance level	Open Actions at 3 September 2025			
					C	H	M	L
Health and Safety - Incident Reports	1 Conduct regular audits and quality checks on the incident reporting and recording 2 Improve the storing and filing of incident information 3 Implement quality checks on incident investigations 4 Promote management involvement in investigations	2022/23	Sept 2024	0 closed actions	-	1	2	1
Service design and Business Improvement	4 Service Design	2023/01	June 2024	3 closed actions	-	-	-	1
Pentana		2023/03	Dec 2024	2 closed actions	-	-	-	-
Recruitment (Contractor)	1 Formalising service areas' succession plans	2023/08	Dec 2024	0 closed actions	-	1	-	-
Staff Wellbeing and Absence Management (Contractor)	1 Sickness Absence Statistics – Monitoring and Reporting 2 Policy on Promoting Health & Attendance	2023/09	Dec 2024	8 closed actions	-	-	2	-
Permanence	1 Improve Document Storage and Accessibility 2 Enhance Meeting Documentation 3 Improve Communication about Legal Processes 4 Implement and Evaluate New Date Recording Form in MOSAIC	2023/10	April 2025	0 closed actions	-	-	4	-

Previous Year's Audit	Open actions	Report Number	Reported to Scrutiny Committee	Report Assurance level	Open Actions at 3 September 2025			
					C	H	M	L
Community Justice Liaison with COPFS and the Courts	1 Process Documentation	2023/12	2024	5 closed actions	-	-	-	1
Civica CX – Rent Accounting Module	1 Post Implementation Review Framework	2023/17	Feb 2025	0	-	1	-	-
Corporate Governance	3 Guidance for Respondents 5 Business Continuity Plan Testing 6 Approval of Responses – Record Keeping 7 Responding Services	2023/20	Dec 2024	3 closed actions	-	-	1	3
Corporate Debt Recovery Arrangements	1 Processes and Procedures 3 Management Information	2023/21	Feb 2024	2 closed actions	-	1	1	-
Financial Forecasting (Contractor)	1 Revenue Budget Control Manual 2 Significant differences between actual spend reported by the Service areas and that recorded in the general ledger 3 Extracting month end data from Civica Financials for CLT and Committee reporting 4 Consistent and timely submission of forecast outturns 5 Documenting key assumptions	2023/22	Dec 2024	5 closed actions	-	-	-	-
Health and Safety Risk Assessments and Incident Management in Schools	1 Mandatory Health and Safety Training Programme	2023/24	April 2025	2	-	-	1	-

Previous Year's Audit	Open actions	Report Number	Reported to Scrutiny Committee	Report Assurance level	Open Actions at 3 September 2025			
					C	H	M	L
Safety Alarm Response Centre	2 Implement a Performance Measurement and Reporting Framework for SARC Operations 3 Strengthen Budgeting and Financial Management Processes 5 SARC Management should identify and document its key processes and procedure	2023/25	Dec 2024	2 closed actions	-	1	2	-
Microsoft Office 365 (Contractor)	1 Access Management Review 3 Application Restrictions 5 Administrator Account Access 6 Update and Introduction of Policies 7 Data Loss Prevention Assessment	2023/28	June 2025	2 closed actions	-	5	-	-
User Access Management (Contractor)	5 Civica Monitoring	2023/29	Feb 2024	4 closed actions	-	1	-	-
Tay Cities Region Deal	1 Securing Business Case Approval	2024/03	April 2024	0	-	-	1	-
Purchase to Pay	1 Exceptions to 'No Purchase Order No Pay' policy 2 Entering receipts for goods and services 3 Guidance and training on entering receipts for goods and services 4 Clearance of long outstanding orders	2024/09	April 2025	0	-	-	3	1

Previous Year's Audit	Open actions	Report Number	Reported to Scrutiny Committee	Report Assurance level	Open Actions at 3 September 2025			
					C	H	M	L
Risk Management (Contractor)	2 Update and Enhance the Risk Management Procedures 3 Develop and Maintain a Risk Appetite Framework 4 Strengthen Risk Identification Process and Refresh the Risk Register to reflect Current and Emerging risks 5 Ensure Risk Description is completed, and Proper Risk Ownership is assigned 6 Review and Cleanse Risk Records Across Pentana 7 Strengthening the Consistency of the Prioritisation Practices 8 Strengthening Risk Mitigation 9 Strengthening Monitoring to Drive Effective Risk Reduction	2024/04	June 2025	1 closed action	-	-	6	2
User Access Management Northgate	2B CAR User Access Review 3B System Monitoring	2024/06	June 2025	3 closed actions	-	-	2	-
Payroll - Changes in Circumstances	2 Development of Payroll processing guidance 4 Calculation Tool Integration 7 Risk Management Framework	2024/08	June 2025	4 closed actions	-	-	2	1
Insurance (Contractor)	1 Creation of a Comprehensive Claims Management Handbook	2024/16	June 2025	3 closed actions	-	-	1	-

Definitions of Levels of Assurance

Comprehensive Assurance	The system of controls is essentially sound and supports the achievement of objectives and management of risk. Controls are consistently applied. Some improvement in relatively minor areas may be identified.
Substantial Assurance	Systems of control are generally sound, however there are instances in which controls can be strengthened, or where controls have not been effectively applied giving rise to increased risk.
Limited Assurance	Some satisfactory elements of control are present; however, weaknesses exist in the system of control, and / or their application, which give rise to significant risk.
No Assurance	Minimal or no satisfactory elements of control are present. Major weaknesses or gaps exist in the system of control, and/or the implementation of established controls, resulting in areas of unmanaged risk.

OUTSTANDING INTERNAL AUDIT AGREED ACTIONS

Agreed actions from Internal Audit recommendations are recorded in Pentana and implementation is monitored by Services and the Risk and Assurance Board. Implementation of the agreed action is the responsibility of the service area, and the risk exposure identified in the audit remains in place until the action has been completed. New dates should be agreed for actions that were not complete by their original due date.

The numbers of outstanding actions in Pentana for each Service, by audit year, on 4 September 2025 are noted above against individual reports and summarised in the following tables.

- Table 1 - shows actions that have not yet reached their original agreed due date.
- Table 2 - shows actions that have had their due dates extended but are still not completed.
- Table 3 - shows actions overdue from their agreed due date, and which require a new date to be agreed.

At 4 September there were 67 open actions in Pentana, compared to 59 at 4 June 2025, 2 of which are critical and relate to on-going work in relation to LACD. There has been good progress in closing 25 actions, with 31 new actions added and 2 previously closed actions re-opened pending provision of evidence for closure. Actions from reports presented to the September committee were not yet in Pentana at 4 September.

Table 1 - Actions not yet reached original agreed due date

Service	Audit Year	Critical	High	Medium	Low	Total
		No	No	No	No	No
City Development	2024/25	-		1	-	1
Corporate Services	2023/24	-	4	2	-	6
	2024/25	-	-	12	4	16
Neighbourhood Services	2023/24	-	1	-	-	1
Totals		0	5	15	4	25
4 June Totals		0	2	17	2	21

Table 2 - Actions with due date extended from original due date

Service	Audit Year	Critical	High	Medium	Low	Total
		No	No	No	No	No
City Development	2022/23		1			1
Chief Executives Service	2022/23	2	-	-	-	2
	2023/24	-	-	-	1	1
Corporate Services	2020/21	-	1	-	-	1
	2021/22	-	1	-	1	2
	2022/23	-	4	3	3	10
	2023/24	-	2	3	3	8
	2024/25	-	-	1	-	1
Neighbourhood Services	2017/18	-	1	-	-	1
	2021/22		1	-	-	1
	2022/23	-	1	2	1	4
	2023/24	-	1	2	-	3
Totals		2	3	11	9	35
4 June totals		1	12	7	4	24

Table 3 - Actions overdue from agreed due date

Service	Audit Year	Critical	High	Medium	Low	Total
		No	No	No	No	No
Children and Families	2023/24	-	-	4	1	5
Corporate Services	2023/24	-	2	-	-	2
	2024/25	-	-	1	-	1
Totals		-	2	5	1	8
4 June totals		1	5	3	5	14

Definitions of Action Priority

Critical	Very high-risk exposure to potentially major negative impact on resources, security, records, compliance, or reputation from absence of or failure of a fundamental control. Immediate attention is required.
High	High risk exposure to potentially significant negative impact on resources, security, records, compliance, or reputation from absence of or non-compliance with a key control. Prompt attention is required.
Medium	Moderate risk exposure to potentially medium negative impact on resources, security, records, compliance or reputation from absence or non-compliance with an important supporting control, or isolated non-compliance with a key control. Attention is required within a reasonable timescale.
Low	Low risk exposure to potentially minor negative impact on resources, security, records, compliance, or reputation from absence of or non-compliance with a lower-level control, or areas without risk exposure but which are inefficient, or inconsistent with best practice. Attention is required within a reasonable timescale.

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REPORT TO: SCRUTINY COMMITTEE - 24 SEPTEMBER 2025

REPORT ON: INTERNAL AUDIT REPORTS

REPORT BY: CHIEF INTERNAL AUDITOR

REPORT NO: 249-2025

1.0 PURPOSE OF REPORT

To submit to Members of the Scrutiny Committee a summary of the Internal Audit Reports finalised since the last Scrutiny Committee.

2.0 RECOMMENDATIONS

Members of the Committee are asked to note the information contained within this report.

3.0 FINANCIAL IMPLICATIONS

None.

4.0 MAIN TEXT

- 4.1. The day-to-day activity of the Internal Audit Service is primarily driven by the reviews included within the Internal Audit Plan. On completion of a specific review, a report which details the audit findings and recommendations is prepared and issued to management for a formal response and submission of management's proposed action plan to take the recommendations forward. Any follow-up work subsequently undertaken will examine the implementation of the action plan submitted by management.
- 4.2. In arriving at the overall assurance level for each audit, the assurance levels within the individual objectives do not always carry equal weighting. Findings from the audit are considered in total against the scope and risk levels to arrive at the overall assurance opinion.
- 4.3. Executive Summaries for the reviews which have been finalised in terms of paragraph 4.1 above since the last Scrutiny meeting are provided at Appendix A. The full reports are available to Elected Members on request. Reporting in Appendix A covers:

Audit	Assurance level
Climate Strategy and Delivery Plans	Substantial Assurance
Partnership Working - Dundee Alcohol and Drugs Partnership	Comprehensive Assurance
Young People in Residential Care - Missing Persons Process	Substantial Assurance
Capital Planning and Monitoring	Limited Assurance

- 4.4. Internal audit recommendations are categorised as either relating to the design of the control system (Design) or compliance with the operation of the controls (Operational).

5.0 POLICY IMPLICATIONS

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

6.0 CONSULTATIONS

The Council Leadership Team have been consulted in the preparation of this report.

7.0 BACKGROUND PAPERS

None.

CATHIE WYLLIE, CHIEF INTERNAL AUDITOR

29 AUGUST 2025

(i) **INTERNAL AUDIT REPORT 2024/15**

Client	City Development
Subject	Climate Strategy and Delivery Plans

Executive Summary

Conclusion

Substantial Assurance

The Council's Climate Strategies are comprehensively documented; however, the underpinning delivery plans are at an early stage of development. Fully establishing those plans will support successful delivery by supporting accountability and urgency in their implementation.

As this is the first year of implementation for both the Net Zero Transition Plan and the Local Heat and Energy Efficiency Strategy, we found that although processes appear generally sound, a limited amount of monitoring data is available to assess adherence to monitoring requirements. We have recommended ways in which these processes could be strengthened by incorporating analysis of sources of data and evidence.

Background

In October 2018, the International Panel on Climate Change (IPCC) released a pivotal report indicating that there were less than 12 years to take decisive action to mitigate the most severe impacts of climate change. In response to this urgent call, the Scottish Government committed to a legally binding target of achieving net-zero greenhouse gas emissions by 2045, with the goal of making Scotland carbon neutral by 2040. Building on this national commitment and in alignment with growing public concern over climate change, Dundee City Council declared a climate emergency in 2019. This declaration further reinforced the city's existing dedication to climate action, highlighted by the signing of the Covenant of Mayors for Climate and Energy by the Lord Provost and Council Leader in March 2018.

In 2019, Dundee City Council developed its Climate Action Plan through comprehensive collaboration with public, private, and community organisations. The plan focused on four key themes: energy, transport, waste, and resilience. Building upon this foundation, the Council released its Net Zero Transition Plan in November 2023. This plan outlines the Council's approach to achieving net-zero emissions by 2038 for its own operations, in alignment with the Scottish Government's targets for public sector buildings.

The Capital Plan for 2023-28 includes a £96 million investment aimed at addressing climate change and meeting net-zero emission targets. This investment supports initiatives such as active travel projects, energy system modernization, and the development of the Council's electric fleet. The Sustainability and Climate Change Team has led several key initiatives, including the creation of the £750,000 Dundee Climate Fund to support community projects. Additionally, the team has developed the statutory Local Heat and Energy Efficiency Strategy and the Local Area Energy Plan. Governance of the Council's Net Zero Transition Plan is provided by the Council Leadership Team, while the Dundee Climate Leadership Group, established in 2021, oversees the governance of the Dundee Climate Action Plan and the Local Area Energy Plan. This group brings together expertise from across the city to coordinate and drive collective action on climate change.

Scope

Conduct a review of the Council's management of climate change activity and compliance with Scottish Government legislation and regulation.

The review will be based upon the audit programme developed by the Scottish Local Authority Chief Internal Auditors Group (SLACIAG) for use across local authorities in Scotland.

Objectives

		Action Priority			
		C	H	M	L
A Climate Change Strategy is in place, which addresses national and regional direction, and organisational culture	Substantial Assurance	-	-	2	-
The Climate Change Strategy is regularly reviewed, and updated in line with legislative requirements	Comprehensive Assurance	-	-	-	-
The Council has identified the actions required to meet the targets and objectives set out within the Climate Change Strategy	Substantial Assurance	-	-	1	-
Adequate arrangements, supported by appropriate data, are in place for monitoring progress against the strategy and its underlying plan	Comprehensive Assurance	-	-	-	1
TOTAL		-	-	3	1

Nature of Recommendations

Three recommendations (medium, low) relate to the design of controls, and one (medium) to the operation of existing controls. This suggests that the control framework is generally sound but requires revision to fully address relevant risks.

Key Findings

The Council has not put in place arrangements to formally benchmark its strategy against other public sector bodies or comparable authorities. Variations in approach between different organisations complicate comparison in terms of the structure of plans, governance arrangements, underpinning processes, or performance against selected indicators.

The council is currently leading a benchmarking initiative to use a common tool to track, measure and report climate data under the Scottish Climate Intelligence Services (SCIS) reporting. This review will contribute towards an exercise to compare arrangements across Scottish Local Authorities

We identified areas of good practice:

- The Council's climate strategy and delivery plans outline objectives, actions, and timelines to support implementation, transparency, and effective progress tracking.

- Training and awareness communications on climate change and carbon literacy are provided to Council staff and elected members to support the integration of climate change into organisational culture.
- The Council has a process to regularly review the climate strategy and the progress of the associated action plan.
- Milestones and Interim targets are set for the long-term strategies and are regularly measured and monitored.
- The Council has a separate strategy in place to address statutory biodiversity obligations.
- A process has been implemented to collate and review emissions data, which aligns with published guidance.
- Appropriate measures are in place to regularly monitor the projected targets, report them and to scrutinise the reports at the committee level.

We have identified the following areas for improvement:

- The Council considers climate and sustainability impacts when making decisions, however the available guidance has not been updated to refer to the published strategy. Updating the guidance to refer explicitly to strategies and guidance would provide greater assurance that these aspects are fully considered in reports presented to Committee.
- Climate Action Plans need to be more clearly articulated to ensure accountability and urgency in their implementation. While plans set out an overall trajectory for emissions reductions, the contribution of individual actions and initiatives have not been quantified, limiting the ability of Services to prioritise or assess the delivery risk of the actions for which they are responsible.
- While appropriate measures are in place to monitor the projected targets, sufficient supporting evidence for each individual action is not consistently maintained.

Planned Developments

In the course of carrying out the review, we observed changes and improvements to processes that were in development or in the course of being implemented. Where this was the case, we have not raised recommendations provided we could obtain reasonable assurance that adequate arrangements were in place to see their implementation. Improvements that are in the course of being taken forward include:

- Implementation of a SharePoint site to enable Services to share information on the progress of Net Zero Transition Plan actions and monitor their delivery.
- Development of a revised reporting template for action progress, which is planned for use from mid-year 2025.
- Development of Council wide standard procedures for calculating organisational emissions, aligned with guidance covering compliance reporting for Climate Change duties.

Impact on Risk Register

The Corporate and Service risk registers included, at time of audit, the following risks:

- CDDP010 Climate Change / Environment (Inherent risk 5x5, residual risk 4x3)
- CDPE014 Climate Change / Environment (Inherent risk 5x4, residual risk 3x4)

- DCC004b CITY PLAN - Failure to address climate change / net zero (Inherent risk 5x5, residual risk 4x4)

The Climate Strategy and Delivery Plans are put in place to mitigate the risk that the Council fails to address climate change. There are two aspects to these plans: reduction of the Council's own emissions with the objective of reaching net zero in line with government targets; and putting in place measures to reduce the carbon emissions of the City of Dundee as a whole.

The Capital Plan 2023-28 included £96m of investment towards tackling climate change and delivering Net Zero Emission targets, and the Dundee Climate Fund consists of £750,000 for the implementation of statutory Local Heat and Energy Efficiency Strategy and the Local Area Energy Plan.

The internal controls identified against these risks in the Corporate and Service risk registers consist of:

- Council's Public Bodies Climate Change Duty Annual Report
- Dundee Biodiversity Action Plan 2020-30
- Dundee Climate Action Plan
- Dundee Climate Leadership Group
- Engage with communities about the climate challenge and foster participation and collaboration to enable local action
- Intention to meet Net-Zero Greenhouse Gas Emissions by 2045 or earlier
- Local Area Energy Plan
- Local Food Growing Strategy
- Local Heat and Energy Efficiency Strategy
- Net Zero Transition Plan
- Regional Transport Strategy
- Take action to ensure our communities, green networks and infrastructure are adaptable to a changing climate and reduce the risks and vulnerability to unavoidable impacts
- Waste and Recycling Strategy Action Plan 2020-25

A Climate Risk and Vulnerability Assessment has been conducted to evaluate the climate change risks the Council may face and explore potential adaptation options. Although it is not a mandatory requirement, the Council have undertaken this assessment voluntarily to proactively identify and address these risks.

We observed that although some of the major risks identified under the Climate Change Risk & Vulnerability Assessment have been incorporated into Corporate and Service risk registers, there are some which have not been included. These include areas identified as high risk, such as the risks arising from high temperature, risks to terrestrial species, and risks to water quality and household water supplies.

Risk owners should consider whether the risks identified in the Climate Change Risk & Vulnerability Assessment are appropriately mitigated and evaluate if the Council risk registers should be updated to bring those risk areas and any mitigation measures within the scope of regular risk monitoring and reporting processes.

(ii) INTERNAL AUDIT REPORT 2024/02

Client	Chief Executive Service, Neighbourhood Services and Children and Families Service
Subject	Partnership Working - Dundee Alcohol and Drugs Partnership

Executive Summary**Conclusion****Comprehensive Assurance**

The Council has established effective governance arrangements that appropriately support its delivery responsibilities under the Alcohol and Drugs Partnership's Strategic Framework. Representation, planning alignment, and monitoring processes are all operating effectively.

Background

Alcohol and Drugs Partnerships (ADPs) are strategic bodies established according to a Scottish Government Framework to reduce the use of and harm from alcohol and drugs. The Framework is designed to bring together legislative requirements and statutory duties of public bodies with performance reporting requirements which relate to the Scottish Government's National Vision and Public Health Priorities.

Dundee City Council is a partner of Dundee Alcohol and Drug Partnership. The ADP is hosted within Dundee Health and Social Care Partnership (HSCP) and includes representation from statutory partners such as the NHS, and third sector organisations. The ADP is convened under an independent Chair not connected to any partner organisation. ADPs are expected to agree and publish a strategy and delivery plan which aim to achieve local outcomes to reduce the use of harms from alcohol and drugs. For the Dundee ADP this takes the form of the Dundee ADP Strategic Framework 2023-2028.

The objectives set out in the strategic framework and the actions identified in its associated delivery plan can impact upon the delivery of Council services in a number of ways.

- The Council or a Council Service may take responsibility for implementation of an ADP action which would not otherwise form part of the Council's statutory Service delivery.
- The strategic framework or the plan may influence the delivery of, or identify performance indicators for, existing Council social work or support services provided to Council residents.
- The strategic framework may form part of the planning environment for Council operational plans in areas which are not directly connected to the work of the ADP but are complementary to it.

In order for the Council's participation to be effective, it is necessary that the Council has robust arrangements to identify its commitments to the ADP, ensure that these are appropriately delegated, and their delivery monitored and reported back to the ADP.

Scope

Review of the arrangements which underpin the Council's delivery responsibilities under the Alcohol and Drugs Partnership's Strategic Framework, including delivery plans, progress monitoring, and engagement with other members of the Partnership.

Objectives

		Action Priority			
		C	H	M	L
Arrangements are in place to ensure that Services whose work is impacted by the Council's ADP commitments are appropriately represented at the ADP, and arrangements are in place to cascade any requirements to operational areas.	Comprehensive Assurance	-	-	-	-
Services have a mechanism which identifies instances where they are committed to delivering an action for, or on behalf of, the ADP and ensures that these are incorporated into their own operational planning.	Comprehensive Assurance	-	-	-	-
Services have arrangements in place to ensure that, where necessary, their operational plans are prepared to align with ADP objectives and performance indicators or are updated or amended should this be required.	Comprehensive Assurance	-	-	-	-
There are suitable monitoring and reporting processes within the Council, and arrangements for the Council to report on progress to the ADP.	Comprehensive Assurance	-	-	-	-
TOTAL		-	-	-	-

Key Findings

We identified a number of areas of good practice:

- The Council has implemented a representative structure that ensures appropriate engagement at all levels of the Alcohol and Drugs Partnership governance framework.
- Council representatives who attend the main ADP group and/or its various subgroups, create a link between the ADP and Council services with information flowing through these designated staff members back to their respective service management teams.
- There is a nested plan approach to ensure that ADP strategic priorities are effectively connect with service-level implementation, which enables strategic objectives established at the ADP level to cascade appropriately into operational activities at the service level.

- Service plans demonstrate consideration of ADP objectives and there are mechanisms in place to incorporate any changes to ADP strategies into service planning.
- Service performance indicators indirectly support broader substance use prevention and intervention strategies without duplicating ADP metrics.
- There are monitoring and reporting processes for tracking council activities and performance indicators that directly support the priorities of the ADP.

Impact on Risk Register

The (Service) risk register included, at time of audit, the following risks:

- Effectiveness of Partnerships (inherent risk 5x2, residual risk 5x3)
- DCC004a Failure to Adequately Address Poverty / Inequalities (inherent risk 5x4, residual risk 5x3)

Our audit examined the governance arrangements supporting the Council's engagement with the Alcohol and Drugs Partnership which relates directly to risk DCC002 (Effectiveness of Partnerships) where the ADP is specifically listed as a key partnership. We also found linkages to risk DCC004a (Failure to Adequately Address Poverty / Inequalities) given the relationship between substance use and wider inequality.

The controls reviewed align with several of the mitigating controls identified in the risk register under DCC002, particularly:

- Governance structure
- Joint vision and defined objectives
- Monitoring meetings
- Review meetings and reporting
- Performance management framework

Our findings indicate these controls are largely operating as intended for the ADP.

The "Governance Structure" control, which is rated as fully effective in Pentana, appears appropriate based on our findings. The ADP governance structure has been reviewed and improved to enhance alignment with wider Protecting People arrangements. Similarly, the "Monitoring meetings" and "Review meetings and reporting" controls demonstrate effectiveness through established reporting pathways with Council services providing progress updates on service-specific commitments to the ADP and relevant subgroups.

While existing controls capture much of the governance framework, our review identified that the reliance on designated staff members to create linkages between the ADP and Council services, while generally effective, introduces potential continuity risks if personnel changes occur. This dependency could be noted as a risk factor within the partnership effectiveness control framework.

Based on our findings, we consider that the current "fully effective" rating appears appropriate for key controls related to governance structure and monitoring processes under DCC002, as these appear to be operating as intended for the ADP.

- Risk owners should consider adding a specific control related to knowledge management and succession planning for key partnership roles, acknowledging that the effectiveness

of current arrangements relies significantly on the expertise and relationships of designated representatives.

(iii) INTERNAL AUDIT REPORT 2023/11

Client	Children and Families Service
Subject	Young People in Residential Care - Missing Persons Process

Executive Summary**Conclusion****Substantial Assurance**

The Children and Families Service has established a process to ensure all missing individuals' incidents in Residential Care are reported on a timely basis, and actions taken to ensure the wellbeing of the young people. We have identified areas for improvement relating to adherence to the processes, and clarification of guidance around risk assessment, monitoring and management reporting. These recommendations will, if implemented, enhance the ability of the Service to demonstrate compliance, and support delivery of better outcomes for the young people in residential care.

Background

Residential care homes offer young people, usually of secondary school age, a safe place to live together with other children away from home. They provide accommodation and support. Young people are placed in residential care on the recommendation of a Children's Hearing Panel or on an emergency, short-term basis to guarantee their safety.

Dundee City Council operates six residential care homes, which accommodate approximately 30 children and young people at any given time. Residential care homes are externally inspected by the Care Inspectorate every 12 months to provide assurance over compliance with national standards.

In order to meet its statutory responsibilities in relation to children and young people in residential care, the process of care planning must consider risks of harm arising from being away from their place of residence, balanced with the dignity and independence of the individual. A fundamental aspect of this caring responsibility is exercising judgement as to when an individual is unexpectedly absent from the residence, and the appropriate action to be taken.

Scope

Review of the arrangements for risk assessment, planning for, and prevention of young people going missing from Residential Care. To include review of processes for identifying, recording, and responding to such instances.

Objectives

		Action Priority			
		C	H	M	L
There is a consistent and clearly communicated procedure which is implemented across young people's residences in the event that an individual is missing.	Substantial Assurance	-	-	2	2
There are clearly articulated criteria for the activation of the procedure.	Comprehensive Assurance	-	-	-	-
Risk assessments are in place for each residence, and for individual young people where appropriate, and these are periodically reviewed and kept up to date.	Substantial Assurance	-	-	2	-
Appropriate monitoring information is compiled and reported to provide assurance to management that these processes are working effectively, and to identify any trends or areas of unmanaged risk.	Substantial Assurance	-	-	1	-
TOTAL		-	-	5	2

Nature of Recommendations

Five of the recommendations relate to the design of controls, (three medium, two low) and two (medium) to the operation of existing controls. This suggests that the control framework itself requires revision to adequately address the risks identified.

Key Findings

We identified a number of areas of good practice:

- A clear and detailed communication procedure exists for reporting young individuals in residential care as missing.
- The absence procedure document clearly expresses the criteria for activating the missing person's process.
- The procedure document is consistent with the requirements of other stakeholders and has considered the documentation and communication requirements of the other related agencies.
- According to the reports and information provided by the service there is a significant reduction in missing persons incidents in the Children and Young people in residential care.

We have identified the following areas for improvement:

- We observed inconsistencies between the houses in adherence to absence procedures, primarily related to documentation and record-keeping requirements. While we did not perceive a direct risk of harm to the Children and Young People, introducing controls to ensure that incident information is collated and reviewed would provide greater assurance over the effectiveness of the procedures by enhancing opportunities to analyse trends and make any further changes/improvements and improving compliance with procedures.
- Monitoring and oversight of implementation of the procedure is inconsistent, and we found that not all information held by residences was reflected in records held centrally.
- There is no ongoing or refresher training for staff covering missing persons incidents or behavioural risk assessment. While we did not observe any instances in which staff were not familiar with the procedures, identifying and addressing any training need would help to ensure consistency and improve adherence to documentation and record keeping requirements.
- Adding version control information to procedure documents would provide additional assurance that they are up to date and reviewed as required.
- The procedure for behavioural risk assessment of young people in residential care is not comprehensively documented, and we found that the requirements for authorisation and review of risk assessments were not well articulated or clearly recorded.
- Whilst there is a requirement to notify senior management of missing persons incidents of more than 12 hours and this is adhered to, there is no requirement to periodically report aggregate information on missing young people to management, meaning that senior management has only a limited ability to gain assurance that processes are operating as expected.

Impact on Risk Register

The Dundee City Council Corporate and Service risk registers included, at time of audit, the following risks:

- DCC004a Failure to Adequately Address Poverty / Inequalities (inherent risk 5x4, residual risk 5x3).
- CFCJ004 Harm (to / caused by service user) (inherent risk 5x5, residual risk 5x3).
- CFHL011/CFCJ013 Children and Young People Development (inherent risk 5x4, residual risk 5x4).

The most critical risk identified in the risk register pertains to potential harm to service users. Our review considered these risks from the perspective of behavioural risk assessment, timely and accurate communication and appropriate decision making throughout the process.

A key mitigation against these risks is the implementation of the absence procedures. However, our findings indicate that the effectiveness of this mitigation is undermined by challenges in conducting thorough risk assessments, inconsistencies in adherence to protocols, and inadequate monitoring. These issues may compromise the service's ability to effectively prevent harm to its users.

The internal controls identified against these risks in the Service risk registers consist of:

- Good case recording
- Information Sharing
- Mandatory regular training for staff to ensure statutory responsibilities are understood

- Regular supervision and quality assurance by line management

We have made recommendations in relation to record-keeping processes with respect to missing persons incidents, although we note that these are primarily concerned with processes to compile and report on incidents. Those same processes also serve a supervisory and quality assurance function in that they add a layer of review and scrutiny to the process of incident recording.

Risk owners should consider whether these risks are correctly scored in the light of the findings of this review.

(iv) INTERNAL AUDIT REPORT 2024/07

Client	Corporate Finance
Subject	Capital Planning and Monitoring

Executive Summary**Conclusion****Limited Assurance**

The Council has established a clear policy for monitoring the progress of capital projects, including defining responsibilities for collating information, and a process for its compilation and reporting.

We were not able to gain assurance that financial information gathered at an operational level for Housing Revenue Account (HRA) projects supports effective scrutiny of the cost monitoring for individual projects of the capital programme.

Background

Capital planning and monitoring are essential components of local authority financial management. They involve the strategic allocation of resources for long-term investments in infrastructure, building, equipment and other assets that are crucial for delivering public services. The process is governed by the Prudential Code for Capital Finance in Local Authorities, which requires councils to ensure their capital expenditure plans are affordable, prudent and sustainable.

Key elements of capital planning include:

- Identifying and prioritising capital investment needs
- Developing a multi-year capital programme
- Securing funding sources (e.g. borrowing, grants, capital receipts)
- Conducting option appraisals for major projects

Capital monitoring involves:

- Tracking expenditure against approved budgets
- Monitoring project progress and timelines
- Identifying and addressing variances or slippage
- Regular reporting to stakeholders, including senior management and Elected Members.

The Council's capital projects span across City Development, Neighbourhood Services (including Housing Revenue Account) and Customer Services & IT. The Council's Capital Investment Strategy 2018-2028 guides these investments, emphasising areas such as the Tay Cities Region Deal and housing provision.

For the 2024/25 financial year, the Council approved a capital budget of £136,304k. The outturn at 30 June 2025 was £122,149k.

Scope

Review of the procedures to oversee the implementation of Capital Plans, in line with the Council's Capital Investment Strategy, and monitor and scrutinise Capital expenditure.

Objectives

		Action Priority			
		C	H	M	L
Processes are in place to ensure that Capital Plans are implemented in line with the Council's Capital Investment Strategy	Comprehensive Assurance	-	-	-	-
Policies and procedures for conducting Option Appraisals are clearly defined, consistently applied across all capital projects, and any deviations are appropriately justified and approved	Substantial Assurance	-	-	1	-
Effective monitoring and scrutiny processes are established to identify progress with capital projects, including addressing any slippage. This will focus on the HRA Capital Plan	Limited Assurance	-	1		-
Regular reporting mechanisms are in place to provide timely, accurate and relevant information on capital expenditure to senior management and elected members, supporting effective decision making.	Substantial Assurance	-	-	-	-
TOTAL		-	1	1	-

Nature of Recommendations

One medium priority recommendation relates to the design of controls as articulated by the Capital Budgetary Control Manual, and one high priority recommendation to the operation of existing controls. This suggests that revision of the control framework will help to reduce risk, but that the majority of risk arises from issues which limit the effectiveness of already established controls.

Key Findings

We identified areas of good practice:

- The Dundee City Council Capital Budgetary Control Manual (June 2022) provides detailed guidelines on capital planning, monitoring, and reporting. The manual covers option appraisals, capital plan preparation, and monitoring processes. It outlines the roles and responsibilities for capital planning, monitoring, and reporting.

- A capital planning timetable is developed by the capital team, ensuring all activities and deadlines are communicated to relevant services via Teams to maintain adherence to the process.
- The Capital Plan is reviewed and approved by appropriate individuals and committees, and regularly updated for compliance with the manual's guidelines.
- Options Appraisal are required for projects, which helps to ensure alignment with the Council's strategic priorities. The Manual provides a detailed framework for conducting Option Appraisals, outlining the process, expected outcomes, and deliverables.
- Meetings at various management levels consistently track and make decisions regarding the progress of projects in the Capital Plan.

We have identified the following areas for improvement:

- The Option Appraisals requirements set out in the Capital Budgetary Control Manual do not address all operational scenarios. We observed that different practices are applied to different types of projects, most notably in HRA projects. The Options Appraisal requirement set out in the manual should be reviewed and updated to cover these operational requirements.
- Monitoring processes for HRA projects are inconsistently applied, and the information which flows into capital monitoring reporting cannot easily be verified. Management should revise the process by which capital project monitoring information is collated and reported to ensure that they align, and that the process supports the provision of timely and accurate information.

Impact on risk register

The Corporate and Service risk registers included, at time of audit, the following risks:

- DCC001 Financial Sustainability (inherent risk 5x4, Residual risk 5x5).
- DCC010 Major Project Delivery (inherent risk 5x3, Residual risk 4x3).
- DCC015c Delivery of the Council's Long-Term Objectives is Impacted by Insufficient Investment in Infrastructure and Assets (inherent risk 5x4, Residual risk 5x4).

The process of Capital Planning and Monitoring is intended to mitigate the risks that the Council does not deliver its major projects, or its objectives, due to insufficient infrastructure. Within the scope of this review, the financial value at risk can be quantified as being approximately £136,304K which is the capital budget for 2024/25, which impacts upon the Council's financial sustainability.

The internal controls identified against these risks in the Corporate and Service risk registers consist of:

- Capital and revenue monitoring.
- Capital Investment Strategy approval.
- Capital Plan setting and approval process.
- Capital Governance Group Scrutiny.
- Continued use of Project Boards.
- Management Systems in Place.
- Option Appraisals / Approval Process.
- Project Management Resourcing.

- Regular Project Reviews.
- Corporate Leadership Team approval and actions regarding revenue monitoring.
- Formal Timetable for revenue and capital monitoring.
- Budget setting and approval process, Approval of 3 year revenue budget.
- Long Term Revenue Budget Forecast, Medium Term Strategy.

We have identified areas for improvement in relation to Option Appraisals, as established practice does not fully align with policy; and in relation to HRA projects where monthly monitoring updates do not appear to reflect the operational projections for the year.

Risk owners should consider whether risks remain accurately scored in the light of the findings of this review.

Definitions of Levels of Assurance

Comprehensive Assurance	The system of controls is essentially sound and supports the achievement of objectives and management of risk. Controls are consistently applied. Some improvement in relatively minor areas may be identified.
Substantial Assurance	Systems of control are generally sound, however there are instances in which controls can be strengthened, or where controls have not been effectively applied giving rise to increased risk.
Limited Assurance	Some satisfactory elements of control are present; however, weaknesses exist in the system of control, and / or their application, which give rise to significant risk.
No Assurance	Minimal or no satisfactory elements of control are present. Major weaknesses or gaps exist in the system of control, and / or the implementation of established controls, resulting in areas of unmanaged risk.

Definitions of Action Priorities

Critical	Very High-risk exposure to potentially major negative impact on resources, security, records, compliance, or reputation from absence of or failure of a fundamental control. Immediate attention is required.
High	High risk exposure to potentially significant negative impact on resources, security, records, compliance, or reputation from absence of or non-compliance with a key control. Prompt attention is required.
Medium	Moderate risk exposure to potentially medium negative impact on resources, security, records, compliance or reputation from absence or non-compliance with an important supporting control, or isolated non-compliance with a key control. Attention is required within a reasonable timescale.
Low	Low risk exposure to potentially minor negative impact on resources, security, records, compliance, or reputation from absence of or non-compliance with a lower-level control, or areas without risk exposure but which are inefficient, or inconsistent with best practice. Attention is required within a reasonable timescale.

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REPORT TO: SCRUTINY COMMITTEE - 24 SEPTEMBER 2025
REPORT ON: NATIONAL FRAUD INITIATIVE
REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES
REPORT NO: 248-2025

1. PURPOSE OF REPORT

This report is to inform Elected Members of updates on the current mandatory NFI 2024/2025 exercise and the 2024/2025 Council Tax Single Person Discount v Electoral Roll data matching exercise.

2. RECOMMENDATIONS

It is recommended that Members of the Committee note:-

- (i) the update and continuation of the work on investigating the 2024/2025 NFI exercises at Appendix 1; and
- (ii) the completed NFI Self-Appraisal Checklist Part A for those charged with governance at Appendix 2.

3. FINANCIAL IMPLICATIONS

There are no direct implications arising from this report. Details of the overpayments identified to date by the 2024/2025 NFI exercise are detailed in Paragraph 5.1 and Appendix 1 to this report.

4. BACKGROUND

- 4.1. The NFI is a biennial data matching exercise, co-ordinated at a national level by the Cabinet Office, designed to help participating bodies detect fraud and error. Computerised techniques are utilised to compare electronic data held by different public and private sector bodies in Scotland, England and Wales and identify data matches, which may, following further examination, uncover the existence of fraud or error. The NFI exercise in Scotland is led by Audit Scotland and participation is mandatory for the Council. Participation also assists the Council with its Deter agenda.
- 4.2. The Senior Responsible Officer for the NFI exercise in the Council is the Executive Director of Corporate Services and the Key Contact is the Corporate Fraud Supervisor, who reports operationally to the Acting Senior Manager - Internal Audit. Key Contact responsibilities include:-
 - co-ordinating and monitoring the overall exercise.
 - ensuring that the specifications for data sets are adhered to.
 - ensuring data sets are uploaded accurately and timeously.
 - ensuring that key individuals required to assist with the investigation of matches are identified and adequately trained.
 - ensuring outcomes of the investigation of matches are recorded on the NFI Website promptly and accurately.

5. NFI 2024/2025 UPDATE

- 5.1. The 2024/2025 NFI exercise has so far identified overpayments of £302,621 from investigating 4,516 matches investigated with errors identified in 83 of them. 46 of these errors have produced overpayments and these have either been recovered, or a formal recovery arrangement is in place. So far there are no frauds reported in this exercise.
- 5.2. The NFI also records estimated figures (notional savings) where it is reasonable to assume that incidents of fraud, overpayments and errors would have continued undetected without NFI data matching. For the 2024/2025 NFI exercise, a total estimated notional savings (total estimated fraud prevented) figure of £47,963 has been calculated which arises from 39 cases. This estimated figure combined with actual overpayments gives a total value of £350,584. (See Appendix 1). Two of the cases have both an overpayment and a notional savings figure.
- 5.3. In January 2025, we submitted data for a NFI supplementary mandatory exercise of data from the Electoral Roll against those households where Council Tax Single Person Discount was being claimed. Work on these matches will commence from September 2025 by the Customer Services and Benefit Delivery Team. The delay in starting this work is due to the other Council Tax data matching, which was carried out during 2024/2025, by Data Tank who were contracted by the Customer Services and Benefit Delivery Team for this service.
- 5.4. Staff training on how to deal with the data matches along with responsibilities, investigation procedures and how to record outcomes on the NFI Website was delivered in January 2025 through to March 2025, by the CFT Supervisor, to all participating staff from the services detailed in Table 1 below.

Table 1 - Services where Participating Staff trained

Strategic Service/Client	Service Area
Corporate Services	- Corporate Fraud - Creditors - Council Tax - Pensions - HR and Business Support
Neighbourhood Services	Housing and Communities
Dundee Health and Social Care Partnership	- Finance Admin - Blue Badge Admin

- 5.5. The NFI Team at the UK Cabinet Office issued instructions, a timetable and the data sets required to be uploaded for the national mandatory exercises. The required data that was uploaded is detailed below:-

Table 2 - Mandatory Data Required

Service Area	Data Required
Corporate Services	- Council Tax Annual data submission - Council Tax reduction scheme - Electoral Register Annual data submission - Non Domestic Rates - Payroll - Pensions - Taxi driver licences - Trade creditors' - payment history - Trade creditors' - standing creditors

Neighbourhood Services	• Housing tenants • Housing waiting list • Right to buy (Housing)
Dundee Health and Social Care Partnership	• Blue Badges
Chief Executive Services	• Concessionary travel permits (NEC Data)
City Development	• Resident parking permits

6. AUDIT SCOTLAND SELF-APPRAISAL CHECKLIST

- 6.1. Audit Scotland have published the latest NFI Self-Appraisal Checklist. It is recommended that Audit Committees, or equivalent, and staff leading the NFI should review and complete the NFI Self-Appraisal Checklist to ensure that they are fully informed of their organisation's NFI arrangements including planning and reviewing progress with the NFI exercise.
- 6.2. Part A of the Self-Appraisal Checklist is for review by Scrutiny Committee Members and has been completed by Council Officers to give assurance over the effectiveness of the Council's participation in the NFI. The checklist is included at Appendix 2.

7. POLICY IMPLICATIONS

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

8. CONSULTATIONS

The Council Leadership Team have been consulted in the preparation of this report.

9. BACKGROUND PAPERS

None.

PAUL THOMSON
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

DATE: 5 AUGUST 2025

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APPENDIX 1

NFI RESULTS FOR 2024/2025 EXERCISES**TABLE 1 - 2024/25 NFI DATA MATCH - OUTCOMES (Exercise Continues)**

REPORT CONTENT	NO OF ERRORS	ACTUAL £	NOTIONAL £	TOTAL VALUE £
Housing Waiting Lists (applications removed)	5	-	21,415	21,415
Blue Badges (no longer valid and cancelled)	32	-	25,408	25,408
Council Tax Reduction Scheme	2	305	1,140	1,445
Creditors	44	302,316	-	302,316
TOTAL	83	302,621	47,963	350,584

NFI Self-appraisal checklist 2025

For those charged with governance	Yes/No/Partly	Is action required?	Who by and when?
Leadership, commitment and communication			
1. Are we aware of emerging fraud risks and have we taken appropriate preventative and detective action?	YES The Council, through the Corporate Fraud Team receive alerts of emerging risks from various agencies, e.g. Police Scotland, National Anti-Fraud Network, Trading Standards Scotland and various cross border Law Enforcement Agencies. The Corporate Fraud Team share these alerts and intelligence with appropriate staff from all Service Areas. The Council's Corporate Fraud Team carry out comprehensive investigations with actions required to address any internal controls to mitigate fraud going forward.	NO	
2. Are we committed to NFI? Has the council/board, audit committee and senior management expressed support for the exercise and has this been communicated to relevant staff?	YES The Corporate Fraud and Corruption Policy was reviewed in 2022 and approved by the Council Leadership Team. The policy includes reference to participating in the National Fraud Initiative. The Council's Scrutiny Committee receives an annual NFI Performance Report and Corporate Fraud Team Performance Report Including Whistleblowing. NFI updates are communicated regularly along with outcomes and	NO	

For those charged with governance	Yes/No/Partly	Is action required?	Who by and when?
	progression and to key members of staff as and when appropriate. The Internal Audit and Corporate Fraud Service Internet and Intranet pages communicate to users that responsibilities surrounding NFI rest with the Corporate Fraud Team. The NFI Key Contact for the Council is the Corporate Fraud Supervisor reporting to the Acting Senior Manager - Internal Audit. Information re NFI is also available via a link on the Council website. At least once a year, all Council payslips (monthly and weekly) and pension notifications, are published with a notification of the Council's data matching exercise.		
3. Is the NFI an integral part of our corporate policies and strategies for preventing and detecting fraud and error? And do we refer to NFI in our Governance codes and statements?	YES As above, the NFI is an integral part of the Council's Corporate Fraud & Corruption Policy. The Council's participation in the NFI is reflected in the Council's Local Code of Corporate Governance and the Annual Governance Statement.	NO	
4. Does our Key Contact have sufficient authority and time to ensure that NFI is delivered effectively?	YES Since 2015, the Council's Key Contact is the Corporate Fraud Supervisor. The NFI is a continuous programme of works for the Key Contact with administration, training, reporting, checking of matches/outcomes and regular meetings with Audit	NO	

For those charged with governance	Yes/No/Partly	Is action required?	Who by and when?
	Scotland (NFI administrators for Scotland).		
5. Has the approach to follow-up of different NFI match types been clearly set out and reported as part of the bodies NFI planning process?	YES The NFI planning process includes the different and new NFI match types. The Council has recently received revised matches from HMRC which are being reviewed by the Corporate Fraud Team. Plans are in place for the forthcoming Social Care matches expected later in 2025/2026. The outcomes for these matches will be included in future reports to the Scrutiny Committee.	NO	
6. Are NFI progress and outcomes reported regularly to senior management and elected/board members (eg the audit committee or equivalent)?	YES The NFI progress and outcomes are reported to the Scrutiny Committee on an annual basis covering the period 1 April to 31 March. A regular NFI Progress report is prepared by the Corporate Fraud Supervisor for the Acting Senior Manager - Internal Audit and the Chief Internal Auditor.	NO	
7. Where we have not submitted data or used the matches returned to us (eg Council Tax single person discounts), are we satisfied that alternative fraud detection arrangements are in place and that we know how successful they are?	N/A The Council submits all mandatory data requested.	N/A	

For those charged with governance	Yes/No/Partly	Is action required?	Who by and when?
8. Does Internal Audit, or equivalent, monitor our approach to NFI and our main outcomes, ensuring that any weaknesses are addressed in relevant cases?	The Corporate Fraud Supervisor reports to the Acting Senior Manager - Internal Audit and also updates the Chief Internal Auditor regularly. Regular updates on progress with the NFI exercise are provided to the Acting Senior Manager and this is discussed at regular update meetings. Any identified weaknesses are considered for any further investigative action.	NO	
9. Do we review how frauds errors arose and use this information to improve our internal controls?	YES The Corporate Fraud Team reports all investigation findings, including actions required to mitigate the fraud re-occurring. These reports are for the Senior Manager - Internal Audit, Service Areas and the People Service where necessary. Fraud Awareness training is offered to the Service Area and is delivered as awareness and a deterrent internally. Case studies are used in the training.	NO	
10. Do we need and have access to Fraud Investigation Officers to enable frauds to be followed-up fully?	YES The Council's Corporate Fraud Team has one Corporate Fraud Supervisor and three Fraud Investigation Officers. All four Officers hold professional accreditations in Counter-Fraud Investigations and Counter-Fraud Management.	NO	

For those charged with governance	Yes/No/Partly	Is action required?	Who by and when?
11. Do we publish, as a deterrent, internally and externally the achievements of our fraud investigators (eg successful prosecutions)?	YES The Corporate Fraud Team's Activity and Performance Report, which is published annually through reporting to the Scrutiny Committee, contains outcomes relating to all corporate fraud employee investigations including the Council's Whistleblowing activity and outcomes.	NO	

REPORT TO: SCRUTINY COMMITTEE - 24 SEPTEMBER 2025

REPORT ON: CORPORATE FRAUD TEAM ACTIVITY AND PERFORMANCE, INCLUDING WHISTLEBLOWING 2024/2025

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 247-2025

1.0 PURPOSE OF REPORT

This report is to inform Elected Members of the Corporate Fraud Team's (CFT's) activity and performance for the 12-month period to 31 March 2025, including whistleblowing activity.

2.0 RECOMMENDATIONS

It is recommended that Members of the Committee note the information in this report.

3.0 FINANCIAL IMPLICATIONS

There are no direct implications arising from this report, although it is noted that in the year to 31 March 2025, the CFT identified savings of £285,910 from general investigative work and £65,148 of fraud and/or error in Housing Benefits through the collaborative working practices with the Department of Work and Pensions (DWP) Single Fraud Investigation Service (SFIS). The total of savings and overpayments for CFT work in 2024/2025 is £351,058. Action has been taken by the Council to seek financial recovery where applicable.

4.0 BACKGROUND

At the 27 April 2015 Policy and Resources Committee (Article VIII, Report No 180-2015), Members approved the establishment of a CFT from 1 June 2015. The CFT is a specialist investigative unit with responsibility for investigating all types of corporate fraud.

4.1 Business Grants

Throughout 2024/2025, the CFT continued to work with key members of staff in City Development responsible for administration and awarding of various grants to Businesses. These grants included the Business Growth and Innovation Grant and the TAY5G funding. The CFT played a pivotal role in the mandatory process of due diligence of the applicants/businesses prior to any grant award.

4.2 General Investigative Work and DWP

- 4.2.1. The CFT identified £285,910 of savings/benefits identified from general investigative work in the year to 31 March 2025 (£37,527 - 2024). The increase in savings/benefits identified for the year to 31 March 2025 relates to additional business grants savings and the notional amounts allocated in relation to Tenancy Fraud.
- 4.2.2. The CFT continued to assist investigating Housing Benefit through the sharing of evidence and witness statements as part of an agreement with DWP. That work identified £65,148 of fraud and error (£81,238 - 2024). Further detail is included at Appendix 1 along with referral statistics for the year.
- 4.2.3. The CFT continues to work with and share best practice with various other agencies and public sector bodies. These include various teams within Police Scotland, Scottish Government, Audit Scotland, OSCR (Office of the Scottish Charity Regulator), the

Cabinet Office, SEPA (Scottish Environment Protection Agency), NHS Counter Fraud Services, SAAS (Student Awards Agency Scotland), HMRC and other Scottish local authorities.

4.3 Advice, Guidance and Corporate Support

4.3.1. In addition to the investigative work carried out during 2024/2025, the CFT has continued to provide a diverse range of advice, guidance and support to the Council's strategic services.

- The CFT have assisted Democratic and Legal Services by carrying out a proportion of checks of Licence Renewal Applications (Taxi and Civic) as part of the Licence Renewal Process and for new licenses.
- The CFT Supervisor is a member of the Council's group for the UK Asylum Dispersal Scheme in the City. The CFT Supervisor's role is to provide financial fraud risk and prevention advice to the group.
- The CFT have been active in Government Procurement Card (GPC) compliance including delivering training/awareness and checks on usage of GPC's as per the Council's Guidelines. The CFT work closely with the Corporate Procurement Team.
- The CFT has continued to be actively involved in operational groups and processes, including the Serious Organised Crime Group and Integrity Group both of which are chaired by the Head of Corporate Finance.
- The CFT Supervisor's work in the Council's Serious Organised Crime Group includes Co- producing, implementing and maintaining a Serious Organised Crime Risk Register. The CFT Supervisor continues to work closely with local Police Scotland teams and the National Serious Organised Crime Interventions Unit (NSOCIU), Scottish Crime Campus, Gartcosh.
- The CFT Supervisor has continued during 2024/2025 to be the Scottish representative on the Executive Board of NAFN (National Anti-Fraud Network) and an active member of SLAIG (Scottish Local Authority Investigators Group). As part of SLAIG, the CFT Supervisor participates in discussions with the Crown Office and Procurator Fiscal Service (COPFS) and Scottish Government regarding the ongoing prevention and detection of public sector fraud. The CFT also receives national fraud alerts through NAFN from the National Crime Agency, the National Fraud Intelligence Bureau and the National Cyber Security Centre. These alerts are distributed to key Council staff.
- The CFT continues to work closely with the DWP and is represented at both local and national (Scottish) level meetings to help support the Housing Benefit investigation process in general and recovery of overpayments from Housing Benefit fraud and error in Dundee.

4.4 Fraud and Corruption Heat Map

4.4.1. The Fraud and Corruption Heat Map continues to be reviewed and Service Areas are required to address and manage fraud and corruption risks as part of their existing Risk Registers (RR's).

- 4.4.2. The heat map is there to supplement existing Service Area RR's and to assist both the CFT and Services in pro-actively focussing on key risks. It sets out to identify the degree of risk in Service Areas against a standard set of fraud and corruption risks, highlighted by a 'RAG' (red/amber/green) rating, where efforts to mitigate fraud and corruption risks should be focussed.
- 4.4.3. The Integrity Group are updated on a regular basis on the progress of mitigation of the fraud and corruption risks identified in this heat map and of any new risks that require to be added. All risks are reviewed on a periodic basis but an overview of all areas of risk will be undertaken in the next 12 months and reported to the Integrity Group.
- 4.4.4. An annual self-assessment against the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption has been completed and confirms that the Council has adopted a response that is appropriate for its fraud and corruption risks. Appendix 3 refers.

4.5 Corporate Fraud Employee Investigations

- 4.5.1. All allegations of fraud and corruption are investigated by the CFT, in partnership with other Council colleagues and external agencies where appropriate.
- 4.5.2. During 2024/2025, the CFT investigated allegations of fraud which at times involved working alongside Police Scotland and the COPFS. Other CFT investigations during 2024/2025 involving employees included allegations of second employment working whilst off sick or during working hours, theft of items and cash, recruitment concerns, not working contracted hours, inappropriate language and behaviour, bribery, misuse of flexible working, forging emails, breach of IT Security policy, breach of data protection, and misuse of Government Procurement Cards.
- 4.5.3. Following conclusion of these investigations, recommendations have been made for improvements to internal controls to reduce the risk of similar incidents happening in the future. It is the remit of the People Service and the employee's Head of Service to consider whether any disciplinary action is required.

4.6 Whistleblowing

- 4.6.1. The Council's whistleblowing function is corporately managed by the CFT. The CFT manages the Council's dedicated whistleblowing telephone line and email reporting arrangements. It also monitors and records all whistleblowing allegations and outcomes on the Council's Fraud Management System.
- 4.6.2. In line with the policy, all whistleblowing allegations received are shared with the Council's Service Lead HR (People Service), the Head of Democratic and Legal Services and the Acting Senior Manager - Internal Audit. These managers, or an appropriate delegated officer, determine how best to proceed with, and who should lead, an investigation.
- 4.6.3. The action taken by the Council in response to a reported concern will depend on its nature, but may include one or more of the following:
 - carrying out an internal investigation (People Service, Internal Audit and/or CFT).
 - dealing with the matter through an internal Service Area procedure.
 - referring the issue to Police Scotland and / or to external audit.
 - referring the issue to an external public or regulatory authority.
 - appointing external specialists to investigate where required.
 - no formal investigation is required.
- 4.6.4. Employees can report concerns in a variety of ways eg speak to their supervisor, send a letter, complete an anonymous form on the intranet or internet, email the dedicated

whistleblowing email address or phone the 24hr freephone whistleblowing telephone number.

- 4.6.5. For the 12-month period to 31 March 2025 the Council received 31 whistleblowing allegations. The continued reporting of whistleblowing allegations demonstrates the ongoing positive culture of the organisation in which staff feel comfortable enough to report their concerns. Whistleblowing allegation statistics, split by service area, can be found at Appendix 2 along with corresponding outcomes data.

4.7 National Fraud Initiative (NFI)

- 4.7.1. The NFI is co-ordinated by the CFT, and the Council's Key Contact is the CFT Supervisor. The Council's NFI performance is reported in a separate annual report to this Committee. (Report 248-2025 refers).

5.0 POLICY IMPLICATIONS

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

6.0 CONSULTATIONS

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

7.0 BACKGROUND PAPERS

None.

PAUL THOMSON
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

DATE: 22 AUGUST 2025

APPENDIX 1

CORPORATE FRAUD ACTIVITY AND PERFORMANCE REPORT - 1 APRIL 2024 TO 31 MARCH 2025

Table 1 - CFT Referrals/Information Exchanges Statistics and Employee Cases

REFERRALS FRAUD OR ERROR TYPE/SERVICE AREA	NUMBER OF REFERRALS
Referral Type/Information Exchanges	
Blue Badge	45
Business Grants/Other Grants	72
Council Tax (Council Tax Reduction and Discounts)	35
Government Procurement Card Compliance Checks (GPC)	1
Housing Tenancy Fraud	9
Legal Team	1
Non Domestic Rates	3
Payroll	47
Parking	1
Pensions	1
Procurement	1
School Placing Requests	3
Service Area (allegations involving employees see para 4.5 above for examples)	
Children and Families	20
City Development	6
Corporate Services	4
Dundee Health and Social Care Partnership (DH&SCP)	4
Leisure and Culture Dundee	5
Neighbourhood Services	11
SUB-TOTAL	269
Data Protection Enquiries from other Enforcement Agencies/LA's	11
Housing Benefit - DWP Information Exchange for Investigation Cases	15
TOTAL	295

Table 2 - Savings/Benefits Identified

FRAUD OR ERROR TYPE	NUMBER OF CASES	SAVINGS IDENTIFIED (£)/ BENEFITS
Council Tax (Council Tax Reduction, Single Person Discount and Exemptions)	20	28,439
Business Grants	12	69,225
General (Business Rates/School Placings)	2	2,246
Tenancy Fraud	2	186,000*
SUB-TOTAL	36	285,910
Housing Benefit - DWP Information Exchange for Investigation Cases	9	65,148
TOTAL	45	351,058

*notional saving figure - £93,000 per property

APPENDIX 2

The tables below provide a summary of results from the whistleblowing activity for 12 months to 31 March 2025.

Table 1 - Whistleblowing Allegations per Service Area

Service Area	No of Allegations
Children and Families	8
City Development	1
Corporate Services	4
Neighbourhood Services	15
Dundee Health and Social Care Partnership	3
TOTAL	31

Table 2 - Outcomes of Whistleblowing Allegations

Outcomes	
Ongoing	11
No further action/unsubstantiated	12
Dealt with in line with current HR procedures	8
TOTAL	31

APPENDIX 3

Dundee City Council - Self-Assessment against CIPFA Code of Practice on Managing the Risk of Fraud and Corruption

CIPFA Code of Practice	CIPFA Good Practice Guidance	Evidence of compliance
A1 The organisation's leadership team acknowledge the threats of fraud and corruption and the harm they can cause to the organisation, its aims and objectives and to its service users.	It is good practice for the responsibilities for managing the risk of fraud and corruption to be included in the organisation's scheme of delegation or terms of reference.	Corporate Fraud and Corruption Policy in place. Last revised and approved by Council Leadership Team in 2022. Policy references responsibilities of officers and Councillors. Financial Regulations Paragraph 2.5.1 - includes Service Executive Director responsibility to report any suspected irregularity or suspected fraud to Internal Audit. Oversight of counter-fraud arrangements is provided by the Scrutiny committee in response to an annual report of Corporate Fraud Performance and Activity plus Whistleblowing. Corporate Fraud and Risk Heat Map in place.
A2 The organisation's leadership team acknowledge the importance of a culture that is resilient to the threats of fraud and corruption and aligns to the principles of good governance.	The organisation's leadership team can support a counter-fraud culture by: • Providing visible support for counter-fraud and corruption activity. • Recognising the risk of fraud and corruption and the harm it can cause to the organisation and to those the organisation helps and/or protects. • Including reference to counter-fraud and corruption activities in the principles of good governance and standards of conduct adopted by the organisation.	Corporate Fraud and Corruption Policy. Annual Corporate Governance questionnaire includes questions on counter-fraud arrangements. Counter-fraud arrangements are considered as part of the Annual Governance Statement. Fraud Governance Arrangements in place to support recognition of risk and harm to protect the organisation:- • Whistleblowing Policy and Guidance for Managers and Employees • Bribery Policy and Procedures • Corporate-Fraud and Corruption Policy and Procedures • Anti-Money Laundering Policy and Procedures • Fraud Guidelines/Standing Orders/Financial Regulations • Registers of Members and Officers Interests • Gifts, Gratuities and Hospitality Policy and Register • Participation in the National Fraud Initiative • Council's Integrity Group • Serious Organised Crime Group and Risk Register • Internal Data Matching/External Data Matching

CIPFA Code of Practice	CIPFA Good Practice Guidance	Evidence of compliance
	- Ensuring the organisation is responsive to new fraud and corruption risks. - Embedding strong counter-fraud controls and systems within the organisation. - Providing visible support and resourcing for fraud awareness activity. - Supporting counter-fraud and corruption training throughout the organisation. - Ensuring that other governance papers, strategies and policies include fraud and corruption risks wherever relevant.	- Corporate Fraud Hotline/Dedicated Whistleblowing Line - Corporate Fraud Risk Heat Map Resources are provided for a Corporate Fraud Team to prevent, detect, investigate and raise awareness of fraud. Currently fraud staff resources are 1 x Accredited Counter-Fraud Supervisor and 3 x Accredited Counter-Fraud Investigators. Employee Code of Conduct in place including the Nolan Principles. Financial Regulations Paragraph 2.5.1 - includes Service Executive Director officer responsibility to report any suspected irregularity or suspected fraud to Internal Audit. Local Code of Corporate Governance includes reference to counter-fraud work including Fraud reporting and whistleblowing and sets out the principle of "behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law".
A3 The governing body acknowledges its responsibility for ensuring the management of its fraud and corruption risks and will be accountable for the actions it takes through its governance reports.	The governing body should ensure that there is a clear programme of work in accordance with the Code to manage the risk of fraud and corruption. The organisation's leadership team can also provide strong and genuine support by delegating appropriate authority to counter-fraud professionals.	Adoption of this CIPFA self-assessment. Remit of the Scrutiny Committee. Annual counter-fraud reports to that Committee. Local Code of Corporate Governance includes reference to counter-fraud work. Annual Governance Statement approved as part of the final accounts process. Corporate Fraud Team operating within Internal Audit. Fraud and Corruption questions in the Annual Corporate Governance Questionnaire.

CIPFA Code of Practice	CIPFA Good Practice Guidance	Evidence of compliance
A4 The governing body sets a specific goal of ensuring and maintaining its resilience to fraud and corruption and explores opportunities for financial savings from enhanced fraud detection and prevention.	Could include: • Formal fraud risk management process. • Production, maintenance and review of a fraud strategy. • Formal fraud awareness activity. • Clear directions on actions to be taken if fraud or corruption is discovered.	A Fraud Risk Heat Map has been produced for incorporation into the Council's Risk Management process. All Service Area Leadership Teams were briefed. The Heat Map is managed and maintained by the Corporate Fraud Supervisor. Fraud and Corruption Risks are considered in Corporate Risk Register and Service Risk Registers. Internal and external data matching exercises undertaken using Council Tax Single Person Discount and internal records, eg National Entitlement Card and Housing Waiting lists, new employees. Participation in the biennial National Fraud Initiative. Fraud awareness activity is both reactive, eg whistleblowing allegations and proactive eg compliance work on controls and processes relating to Government Procurement Cards. The Council has established an Integrity Group which meets quarterly and also on an ad-hoc basis when allegations of a serious fraud or corruption have potentially been identified. Participation in the biennial National Fraud Initiative and other data matching fraud exercises hosted by the National Fraud Initiative Team.
B1 Fraud risks are routinely considered as part of the organisation's risk management arrangements.	Fraud risk identification could include: • Compare identified risks with other similar organisations. • Fraud risk workshops within departments. • Fraud risk review conducted by internal audit, external audit or specialist consultant.	The Council's Corporate Fraud Team works with and shares best practice with various other agencies and public sector bodies. These include various teams within Police Scotland, Scottish Government, Audit Scotland, OSCR (Office of the Scottish Charity Regulator), the Cabinet Office, SEPA (Scottish Environment Protection Agency), NHS Counter-Fraud Services, SAAS (Student Awards Agency Scotland), HMRC and other Scottish local authorities. Sharing best practice and monitoring the fraud risk areas as part of the Scottish Local Authorities Investigators Group (SLAIG). Fraud Heat Map. Fraud and Corruption risks in Corporate Risk Register and in Service area risk registers.

CIPFA Code of Practice	CIPFA Good Practice Guidance	Evidence of compliance
B2 The organisation identifies the risks of corruption and the importance of behaving with integrity in its governance framework.		Financial Regulations Paragraph 2.5.1 - includes Service Executive Director responsibility to report any suspected irregularity or suspected fraud to Internal Audit. Codes of Conduct for councillors and staff. Local Code of Corporate Governance. One of the Council values is to be open and honest.
B3 The organisation uses published estimates of fraud loss, and where appropriate its own measurement exercises, to aid its evaluation of fraud risk exposures.	The organisation can use estimates of fraud loss and any measurement exercise to quantify the potential losses that different fraud risks cause.	Work of Corporate Fraud Team includes review of published information including National Fraud Initiative Reports, Audit Scotland Reports and other published reports containing losses and reference to fraud risks.
B4 The organisation evaluates the harm to its aims and objectives and service users that different fraud risks can cause.	Reputational damage to the organisation or damage to specific service objectives	Counter-fraud work contributes to the Council's priorities including: • Inequality reduction (Housing, School Placement, Blue Badge). • Safe communities (Housing). • Effectiveness and Efficiency (Advice to services, local taxation).
C1 The governing body formally adopts a counter-fraud and corruption strategy to address the identified risks and align with the organisation's acknowledged responsibilities and goals.		The Counter-Fraud and Corruption Policy details the Council's approach to the prevention and detection of fraud and corruption and applies across all Council service areas.
C2 The strategy includes the organisation's use of joint working or partnership approaches to managing its risks, where appropriate.		The Counter-Fraud and Corruption Policy details the Council's approach to joint working/ partnership working - see Section 7 (Investigation Sources and Pro-Active Work) and Section 9 (Co-operation with Others).

CIPFA Code of Practice	CIPFA Good Practice Guidance	Evidence of compliance
C3 The strategy includes both proactive and responsive approaches that are best suited to the organisation's fraud and corruption risks.	<u>Proactive</u> • Develop a counter-fraud culture. • Prevent fraud through internal control measures. • Use techniques to validate data. • Publicise counter-fraud policy and actions. <u>Responsive</u> • Detecting fraud through data and intelligence analysis. • Implement effective reporting arrangements. • Investigate fraud referrals.	<u>Proactive</u> • Partnership work with internal colleagues. • Online fraud reporting form. • Robust internal controls. • Acknowledge receipt of policy through Employee Resources. • Fraud Heat Map. <u>Responsive</u> • Data matching - internal and National Fraud Initiative. • Integrity Group. • Whistleblowing. • Recovery of losses. • Disciplinary action. • Specialist investigations. • Reporting direct to COPFS or Police Scotland.
C4 The strategy includes clear identification of responsibility and accountability for delivery of the strategy and for providing oversight.	The strategy should - • Allow for measurement. • Identify the key fraud risks. • Be considered by Audit Committee.	Revised Corporate Fraud and Corruption Policy approved by Council Leadership Team 2022. Policy references responsibilities of Officers and Councillors. Scrutiny Committee oversight - annual Corporate Fraud Activity report.
D1 An annual assessment of whether the level of resource invested to counter-fraud and corruption is proportionate for the level of risk.	An annual assessment should be conducted to review whether the level of resource invested is proportionate for the level of risk.	Reviewed as part of the completion of this self-assessment - no resource issues identified. Will be reviewed annually. External Audit comments in annual report. Incident and Probity logs completed and assessed to determine whether any further work required on identified areas. Annual Governance Statement.

CIPFA Code of Practice	CIPFA Good Practice Guidance	Evidence of compliance
D2 The organisation utilises an appropriate mix of experienced and skilled staff, including access to counter-fraud staff with professional accreditation.	Training needs to be provided to ensure that counter-fraud staff have the skills, experience and accreditation to conduct their work.	Corporate Fraud Team staff are appropriately qualified, skilled and experienced. Ongoing consideration is given to the training requirements of counter-fraud staff.
D3 The organisation grants counter-fraud staff unhindered access to its employees, information and other resources as required for investigation purposes.		Financial Regulations 2.5.1 - references Internal Audit which includes the Corporate Fraud Team as having this access.
D4 The organisation has protocols in place to facilitate joint working and data and intelligence sharing to support counter-fraud activity.		Corporate Fraud Team work with partners including the DWP, NFI, National Anti-Fraud Network, Police Scotland and others to share intelligence and data to support counter-fraud activity. Data is shared through appropriate legal gateways.
E1 The organisation has put in place a policy framework which supports the implementation of the counter-fraud strategy. As a minimum the framework includes:		
- Counter-fraud policy - Whistleblowing policy		Policy in place - Corporate Fraud and Corruption Policy. Policy in place.
Anti-money laundering policy		Policy in place.
Anti-bribery policy		Policy in place.
- Anti-corruption policy - Gifts and hospitality policy and register		Policy in place - Corporate Fraud and Corruption Policy. Policy and register in place.
Pecuniary interest and conflicts of interest policies and register		In place for Councillors and staff.
Codes of conduct and ethics		In place for Councillors and staff.
Information Security Policy		Policy in place.

CIPFA Code of Practice	CIPFA Good Practice Guidance	Evidence of compliance
Cyber security policy The above policies are available to staff from the intranet.		No Cyber Security policy in place, but Cyber Security is referenced in ICT Security and Safe Use Policy. Cyber Security Policy Training - elearning (Cyber Security Policies and Procedures)
E2 Plans and operations are aligned to the strategy and contribute to the achievement of the organisation's overall goal of maintaining resilience to fraud and corruption.	A proactive plan can be developed to achieve early detection of fraud and corruption	Key risks are addressed thus contributing to the overall goal. Corporate Fraud Risk in the Corporate Risk register and service level risk registers. Proactive work will continue to be planned as a response to the key fraud risks faced by the Council.
E3 Making effective use of national or sectoral initiatives to detect fraud or prevent fraud, such as data matching or intelligence sharing.		National Fraud Initiative. Scottish Local Authority Investigator's Group. National Anti-Fraud Network. Scottish Local Authority Chief Internal Auditor's Group.
E4 Providing for independent assurance over fraud risk management, strategy and activities.		Internal Audit reviews. eg side by side activity between Corporate Fraud Team and Internal Audit Team. External Audit report to Members. Fraud Governance was reviewed by Council's Internal audit co-sourcing partner in 2018.

CIPFA Code of Practice	CIPFA Good Practice Guidance	Evidence of compliance
E5 There is a report to the governing body at least annually on performance against the counter-fraud strategy and the effectiveness of the strategy from the lead person(s) designated in the strategy. Conclusions are featured in the annual governance report.		Annual Governance Statement. Annual Corporate Fraud Performance and Activity report to Scrutiny Committee.

REPORT TO: CITY GOVERNANCE COMMITTEE – 23 JUNE 2025

REPORT ON: COUNCIL PLAN 2022-2027 - PROGRESS REPORT FOR 2024/25

REPORT BY: CHIEF EXECUTIVE

REPORT NO: 189-2025

1.0 PURPOSE OF REPORT

- 1.1 To provide the third annual progress report on the Council Plan 2022-2027.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that Committee:
- a notes the progress made in 2024/25;
 - b remits the report to the Scrutiny Committee for further consideration; and
 - c remits the Council Leadership Team to monitor progress and implement improvements as necessary to deliver the outcomes agreed.

3.0 FINANCIAL IMPLICATIONS

- 3.1 There are no direct financial implications arising from the agreement of this report.

4.0 BACKGROUND

- 4.1 The [Council Plan 2022-2027](#) was agreed by the Policy and Resources Committee on 5 December 2022 (article II of the minute refers). The Council Plan 2022 - 2027 is the strategic plan for Dundee City Council as a corporate entity. It aims to set out the main corporate approaches, priority targets and actions, and key strategies for the purposes of public accountability on delivering on our priorities.
- 4.2 In line with the Council's performance management framework, the City Governance Committee receives an annual and six-monthly progress report on the Council Plan. The annual report (attached at appendix 1) aims to capture progress during 2024/25 on the Plan's main priority themes, actions, and targets.
- 4.3 The report tracks performance with the indicators set in the plan, compared to the previous 2 years, and compared to the year 3 targets. It also includes progress made on each of the actions in the Plan.
- 4.4 The two reports per year aim to maintain focus and pace on delivering the Council's priorities. The next report, due in November 2025, will be providing the mid-year report, which will include some annual data for 2024/25 not available for this report.
- 4.5 Each service also sets out in more detail how they aim to support the delivery of the City and Council Plan priorities within their Service Plans being brought forward to Committees after summer recess.
- 4.6 Key strategic partners, Dundee Health & Social Care Partnership and Leisure and Culture Dundee, both make significant contributions to the delivery of the City and Council Plan priorities. They have separate reporting and governance arrangements but will bring forward reports to City Governance Committee to note their progress as appropriate.

- 4.7 After approval of this year's report, a one-page summary will be produced which will include key points from the report in an accessible and easy to read document. This will be published alongside the full report on the Council's [Dundee Performs](#) webpage.

5.0 PERFORMANCE AND PROGRESS

- 5.1 The Council Plan annual report shows the Council is focused on tackling its key priorities as well as contributing to those agreed in the Dundee Partnership's City Plan 2022-2032. It is building on over a decade of transformation in the city's economy and quality of life in neighbourhoods. The increased focus on reducing child poverty and inequalities and tackling climate change addresses two areas from the evaluation on the previous Plan and the Council's Best Value Audit.
- 5.2 The summary of Council Plan performance by priority theme in the table below shows that, overall, 64% of the performance indicators in the Council Plan are on or within 5% of the target. This is the same as 64% of performance indicators that were on or within 5% of the year 1 target in last year's annual report. Notably, the Reduce Child Poverty and Inequalities theme has seen the Council now within 5% of the target for 5 out of 6 of its performance indicators. The table also shows that 68% of performance indicators have improved over the previous year, a decrease from 77% of performance indicators in last year's annual report. All themes have achieved improvement in at least 60% of its performance indicators, except for Tackle Climate Change and achieve Net Zero Carbon Emissions by 2045 which has a lower improvement rate of 25%.

Council Plan 2024/25 or latest indicators:

Priority Theme	Within 5% of target	Improved over previous year	Total Indicators
Reduce Child Poverty and Inequalities in Incomes, Education and Health	5 (83%)	5 (83%)	6
Deliver Inclusive Economic Growth including Community Wealth Building	3 (75%)	3 (75%)	4
Tackle Climate Change and achieve Net Zero Carbon Emissions by 2045	3 (75%)	1 (25%)	4
Build Resilient and Empowered Communities	4 (80%)	4 (80%)	5
Design a Modern Council	0 (0%)	2 (67%)	3
TOTAL	14 (64%)	15 (68%)	22

- 5.3 The purpose of this type of reporting is to ensure focus on delivering the levels of improvement on key measurable outcomes. The Council Leadership Team reviews all areas to ensure all plans help towards the priority outcomes. Looking across the total number of indicators in the appendix, the most improved indicators and the areas for improvement are noted below. The areas for improvement will be a focus during the next year to get on track towards the target.

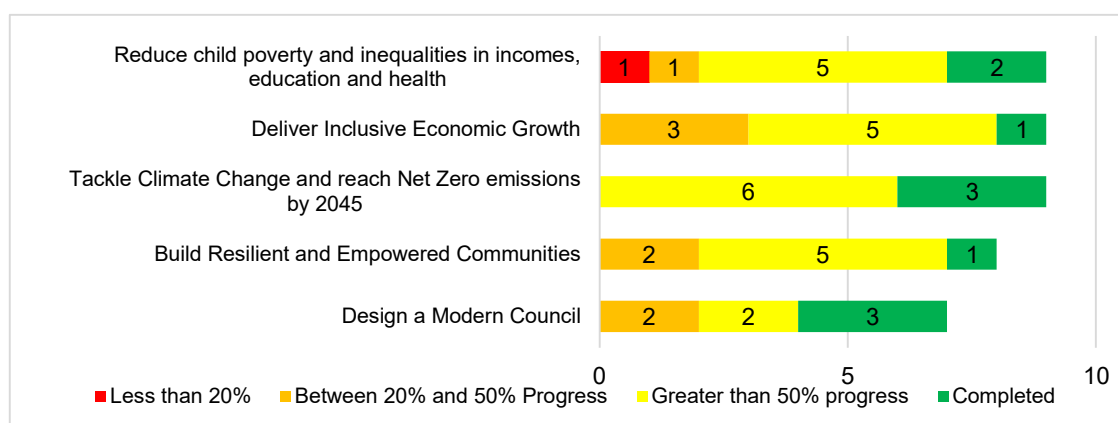
The indicators showing the **most improvement** are:

- Percentage of care experienced young people in positive destinations (41% increase).
- Number of Dundee Citizens contributing to local community plan outcomes (39% increase).
- Percentage of Council budget allocated by participatory budgeting processes (31% increase).
- Number of Council and Registered Social Landlord housing completions (29% increase).
- Percentage of Dundee City Council Procurement spent with Dundee based organisations (20% increase).

The indicators **highlighted as areas for improvement** are:

- Positive destinations for all young people and young people living in SIMD 1 areas.
- Average total tariff for SIMD.
- The Council's corporate emissions (carbon footprint).
- Energy consumption in Council buildings.
- Town Vacancy Rate.
- Total number of opportunities provided to young people.

5.4 The summary of progress on the 42 actions in the Council Plan for the Council's 5 priorities shows that 33 actions are now over 50% complete or completed:



6 actions have been completed since last year's annual report for 2023/24:

- Deliver on the Mainstreaming Equalities Report Action Plan.
- Promote the uptake of concessionary travel scheme for young people.
- Develop a citywide Local Area Energy Plan (LAEP) and Local Heat & Energy Efficiency Strategy in partnership with the Dundee Climate Leadership Group.
- Maximise participatory budgeting in all forms.
- Increase digital learning, teaching of new working methods and developing the skills of our employees.
- Deliver an extensive community wealth building strategy, ensuring the maximum level of investment possible is retained within Dundee to support local jobs.

5.5 Appendix 1 attached is the full report setting out in detail our progress. It includes the following sections:

- An introduction by the Leader of the Council and Chief Executive and Background (pages 3 - 6).
- An overall summary of performance, and areas for improvement (pages 7-9).
- A section on each theme covering priorities, a performance scorecard, and some key highlights and activity for the next six months:
 - Reduce child poverty and inequalities in incomes, education, and health (pages 10- - 22).
 - Deliver inclusive economic growth including community wealth building (pages 23- 35).
 - Tackle climate change and achieve net zero by 2045 (pages 36-47).
 - Build resilient and empowered communities (pages 48-59).
 - Design a modern council (pages 60-70).

6.0 POLICY IMPLICATIONS

- 6.1 The progress presented in this report and all actions will make an impact on achieving the priorities and outcomes set out in the Council Plan 2022-27 report. The Integrated Impact Assessment (IIA) for previous years' reports continues to be accurate. Article II of the Minute of the Policy & Resources Committee on 5 December refers to the original report and IIA.

7.0 CONSULTATIONS

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

8.0 BACKGROUND PAPERS

- 8.1 None.

GREGORY COLGAN
CHIEF EXECUTIVE

DATE: 9 JUNE 2025

ANDREA CALDER
HEAD OF CHIEF EXECUTIVE'S SERVICES

Dundee City
Council
Plan
2022-2027

Annual Progress Report 2024-25

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Introduction

by the Leader of Dundee City Council and the Chief Executive

This third annual progress report shows the Council is making steady progress on delivering on its Council Plan 2022-2027 objectives.

Together with the Dundee Partnership we are focused on the delivery of the vision for Dundee. We are a caring city and tackling the root cause of poverty head on is one of the biggest challenges we face, especially as we continue our recovery from the pandemic and tackle the impact of the cost-of-living crisis on many of our citizens.

We are **reducing child poverty and inequalities in incomes, education and health** by working to give every young person the best start in life. Closing the attainment gap is a key part of tackling the effects of child poverty and the average attainment for pupils from the most deprived areas has increased over the past five years, demonstrating progress towards this aim. We continue to work on reducing the cost of the school day and to help families and children the cost of school meals were frozen again in the 2025/26 budget. The budget also included £2m of additional funding for Children's Services and £500,000 cost of living support. The Linlathen Local Fairness Initiative, which provides an open door for advice and support in one of the most disadvantaged areas of the city, has been recognised by winning the Association of Public Service Excellence award for Best Collaborative Working with others in the Public and Third Sector.

We are **delivering inclusive economic growth** to create jobs and opportunities for all by keeping Dundee in the spotlight as a place to invest. The Waterfront development continues to attract and retain jobs. Latest data available (for 2023/24) shows Dundee has 10,000 jobs within the tourism sector. Employment levels in the sector have risen for the first time since the pandemic, suggesting positive steps towards recovery. BT took occupancy of their new premises earlier this year and a range of projects set out in the City Centre Strategic Investment Plan are well underway. 'A Step Change on Positive Destinations for Young Dundonians' continues the concerted effort to improve opportunities for everyone. Last year, 100% of care experienced young people were supported into positive destinations upon leaving school.

We are **tackling climate change** and making Dundee greener, and our low emissions zone within the city centre has been in place for since May 2024 with penalty charge notices being issued to drivers of non-compliant vehicles onwards from this date. This will improve air quality and reduce emissions in the city centre. The Council has received a number of awards over the year for its drive to net zero and use of electric vehicles (EVs).

We are **building resilient, empowered communities** through local community planning and investing in the areas of the city which need it most. In 2024/25 a total of 341 new Council and Registered Social Landlord houses have been completed, once again, the number of completions has exceeded our annual target of 200. August will see the opening of the Drumgeith Community Campus, which includes a new secondary school Greenfield Academy to serve both pupils and communities by providing a modern facility for a range of community, library, leisure, and sports facilities. Communities are routinely consulted on a range of community priorities, and the number of Dundee Citizens contributing to local community plan outcomes increased by 39% between 2023/24 and 2024/25. The Council has exceeded the 1% of revenue budget target for participatory budgeting, with 11,063 citizens taking part in several participatory budgeting exercises.

Local government continues to face a very challenging situation. Demand for our services has never been higher at the same time as the financial forecast is for a real-terms reduction. Once again, the Council has achieved a balanced budget, but we need to **Design a Modern Council** that can be sustainable for the long term. We are moving forward with plans to rationalise our properties and redesign some services to be leaner yet able to meet people's needs. In living our values, and striving to deliver on our key priorities, we will be open and honest. We will let the data on performance targets and progress on our plans speak for themselves. Through progress reports on this Plan, and our other key plans, we will show our commitment to be inclusive, innovative and constantly learning about where we can improve.

.



Councillor Mark Flynn
Leader of Dundee City Council



Gregory Colgan
Chief Executive

Background

Dundee City Council fully endorsed the shared vision for our city set out in the Dundee Partnership's City Plan 2022 – 2032. This reflects a consensus in the city which we can all work towards and is set out as follows:



To achieve the vision, the Council Plan 2022-2027 sets out a commitment to focus on five strategic priorities for the life of the five-year plan and how the Council aims to support delivery on these. Underpinning this is our bold and ambitious culture to encourage everyone at Dundee City Council to live our values and deliver on these priorities.

The strategic priorities are:



Over the life of this 5-year plan, the aim is to make sure we can report on the social transformation of the city in the same positive terms as the economic transformation. Dundee, like many urban areas, has major social challenges to overcome. It is also clear that the pandemic and the cost-of-living crisis has exacerbated the challenges faced by the city.

At this stage in the year some of the annual data for 2024/25 is not available yet. Where this is the case, the report uses the annual data in relation to the target and improvement over the year before. Where possible, in year measures have been developed so we can use monthly or quarterly data to comment on the current performance to target and improvement.

The plan sets targets for year one 2022/23, year three 2024/25, and year five 2026/27.

Progress Summary 2024-2025

Table 1 (below) shows that, overall, 64% of the performance indicators in the Council Plan are on or within 5% of the target. This is the same as 64% of performance indicators that were on or within 5% of the target in last year's 2023/24 annual report. This is positive, especially as data available for 2024/25 is now being measured against the year 3 target which, for many of the indicators, has increased from the year 2 target. The Reduce Child Poverty and Inequalities in Incomes, Education and Health theme has seen the Council now within 5% of the target for 5 out of 6 of its performance indicators. However, 0 out of the 3 indicators in the Design a Modern Council theme are within 5 % of the target. The table also shows that 68% of performance indicators have improved over the previous year, a decrease from 77% of performance indicators in last year's annual report. All themes have achieved improvement in at least 67% of its performance indicators, with the notable exception of Tackle Climate Change and achieve Net Zero Carbon Emissions by 2045 which has a lower improvement rate of 25%.

Table 1:

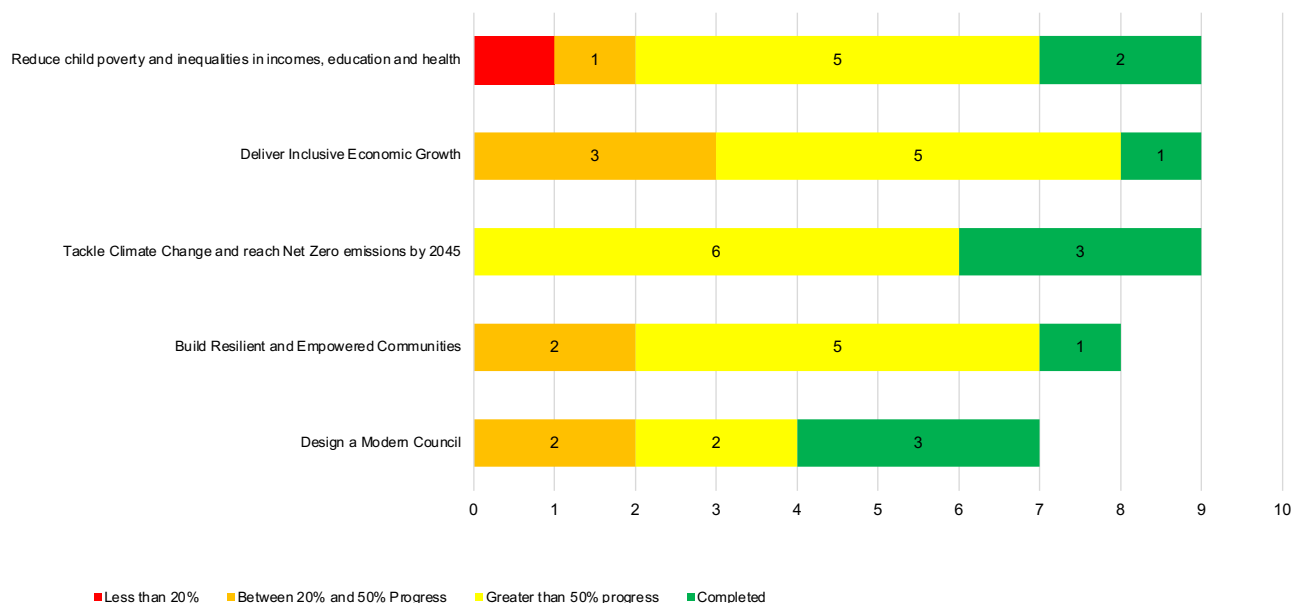
Priority Theme		Within 5% of target	Improved over previous year	Total Indicators
	Reduce Child Poverty and Inequalities in Incomes, Education and Health	5 (83%)	5 (83%)	6
	Deliver Inclusive Economic Growth including Community Wealth Building	3 (75%)	3 (75%)	4
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	Build Resilient and Empowered Communities	4 (80%)	4 (80%)	5
	Design a Modern Council	0 (0%)	2 (67%)	3
TOTAL		14 (64%)	15 (68%)	22

Graph 1 shows that all actions are in progress, which means someone has been assigned, briefed and already taken some steps towards achieving an action plan or the target. The percentage complete is a self-assessment of the progress on priorities in each theme and is defined in the Table 2 below. Responsible officers are advised to use the following definitions to help assess percentage complete. Ten actions are now complete, including six which have been completed since the last annual report for 2023/24.

Table 2:

20%	The task is defined and agreed by relevant partners/stakeholders
40%	Necessary tasks planned and implementation in early stages
60%	Number of key actions achieved/agreed process or improvement taking shape or in place or underway
80%	Majority of actions achieved/ agreed process or improvement largely in place or underway leading to confidence that the overall action will be delivered in full/on schedule
100%	Action has been completed, and objectives have been achieved

Graph 1: Council Plan Actions progress



Areas for Improvement

This report highlights areas for improvement in the year ahead based on the performance indicators furthest away from the target and with no improvement on the year before.

Areas for improvement

The areas on which we need to concentrate next year to maintain a focus on the Council Plan's ambitious targets on the key priorities are.

1. **Positive Destinations** remains a key area of improvement for Dundee for all 16–19-year-olds, including those young people living in SIMD 1 areas. The percentage of young people participating in positive destinations fell by 1% from the previous year. Dundee remains one of the local authorities with one of the lowest participation rates in positive destinations for 16–19-year-olds in Scotland.
2. The **average total tariff for SIMD1** has increased from 577 to 593 over the last year. However, closing the attainment gap for children from the most deprived areas is a key objective both locally and nationally and Dundee remains at the bottom of its family group for this group of young people.
3. The **Council's corporate emissions (carbon footprint)** rose from 24,400 to over 27,000 during the last year. Whilst the long-term trend is improving, if the Council is to meet its ambition of net zero by 2038 in accordance with the Net Zero Transition Plan, there should be a reducing trend for emissions year on year.
4. The Council's target is to **reduce energy consumption in Council buildings** by 5% per annum. However, this has increased over the last year and as above, the expectation is there will be a reducing trend year on year if the Council is to meet its responsibility to tackle climate change.
5. **Town vacancy rate** continues to be a challenge for the Council. Despite a slight improvement in the most recent data for empty retail units from 18% in 2022/23 to 17.7% in 2023/24, this remains above the target of 12.4%. The Council remains committed to bringing vacant spaces in town and district centres back to life to make Dundee a vibrant city centre. The Council's City Centre Strategic Investment Plan sets out our ambitions for the development of the city centre up to 2050. The Council is making significant strides to improving public spaces, including pedestrian areas and green spaces to make the city centre more attractive.
6. **The total number of opportunities provided to young people** declined over the last year from 199 to 181 against a target of 297. Although there has been an increase in the number of graduate apprenticeship new starts from 2 to 5 between 2023/24 and 2024/25, there have been fewer modern apprenticeship new starts, decreasing from 36 in 2023/24 to 16 in 2024/25.



Reduce Child Poverty and Inequalities in Incomes, Education & Health

“Dundee will be a caring city which has tackled the root causes of poverty and delivered fairness in incomes, education and health.”

Dundee Plans

The Council has several plans and strategies that are focused on reducing child poverty and inequalities in the city. These include:

- Local Child Poverty Action Plan including our wider fairness work
- Children and Families and Chief Executive's Service Plans
- Equalities Mainstreaming Reports
- Not Just a Roof housing options and homeless strategy and Rapid Rehousing Transition Plan
- Discover Work Strategy & Action Plan 2022 – 2027
- Positive Destination Improvement Plan

Strategic highlights from last year

- Closing the poverty-related attainment gap is a key part of tackling the effects of child poverty. The most recent year shows an increase in the average tariff score for school leavers living in the most deprived communities within the city. The latest tariff score of 593 for 2023/24 is an improvement of 16 points from the previous year. However, trends should be treated with caution due to the different assessment methods used during the pandemic. Whilst there is improvement, Dundee remains at the bottom of the LGBF family group for SIMD1 attainment.
- Latest data shows that the improving trend of school attendance levels for all children and young people living in SIMD 1 is continuing. Attendance levels have been increasing by 1% per annum over the last 3 years.
- Take up of free school meals for children and young people in P1-S6 has improved over the last three years and at 58.6%, has now surpassed the current year's target of 54%.
- Although the percentage of 16–19-year-olds living in SIMD 1 areas participating in positive destinations fell by 1% from the previous year, 'A Step Change on Positive Destinations for Young Dundonians' continues the concerted effort to improve opportunities for everyone. New measures include the appointment of a senior leader within each secondary school to lead a multi-agency group and be responsible for ensuring that all 16–19-year-olds in the school's community achieve a positive destination.

- Latest data reveals that 100% of care experienced young people have been supported into positive destinations.
- The take up of free concessionary travel continues to increase, with 79% of 5–21-year-olds holding an NEC card which includes a free bus pass.

National Performance Framework

(Aligning global, national and local aims)

The UN Sustainable Development Goals	The National Performance Framework		Council Plan Key Priority
	 We are well educated, skilled and able to contribute to society  We grow up loved, safe and respected so that we realise our full potential  We are healthy and active  We protect human rights and live free from discrimination	 We are creative and our vibrant diverse cultures are expressed and enjoyed  Tackle poverty by sharing wealth, opportunity and power more equally  We live in communities that are inclusive, empowered, resilient and safe	 Reduce child poverty and inequalities in incomes, education and health  Resilient and Empowered Communities  Design a Modern Council

Actions completed 2024/25

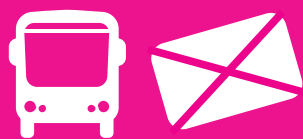
- Deliver on the Mainstreaming Equalities Report Action Plan
- Promote the uptake of concessionary travel scheme for young people.

Actions in progress for completion 2025/26

There are no actions due for completion in the year ahead. The remaining eight actions have due dates of 2027 and beyond. Of those, five are over 50% complete. These are:

- Continue work to reduce the cost of the school day
- Implement the recommendations of The Promise
- Prioritise welfare support grants to children and families
- Maintain momentum in energy efficiency and wall insulation programmes to reduce fuel poverty for children and families
- Monitor Progress of the Local Fairness Initiatives to ensure support and engagement across council services, as well as implementing changes to services or policies, as appropriate.

79%



Take up in Dundee of young people aged 5-21 using a National Entitlement Card for free bus travel.

58.6%

Take up of free school meals (includes pupils from P1-S6).



566



2020/21

629



2021/22

577



2022/23

593



2023/24



Average tariff score for pupils living in SIMD Quintile 1 higher than pre Covid 2019/20.

Priorities in Action

Reducing the Cost of the School Day

In 2024/25, the Council implemented several measures to reduce the cost of the school day and support families: The Council maintained the cost of school meals at the same level as the previous year for all primary and secondary school children. This decision directly helps families manage daily expenses.

An additional £2 million was allocated to Children's Services, which includes support for educational and welfare initiatives that can help reduce hidden costs associated with schooling.

The Council committed £500,000 to broader cost of living support, which may include initiatives that indirectly benefit school-aged children and their families.

Over £3.5 million was invested in improving school facilities during 2024/25, with a further £2.1 million allocated for 2025/26. While this is more infrastructure-focused, it contributes to a better learning environment and may reduce the need for parents to cover costs related to school resources.

The most recent figures from Tayside Contracts show that 58.6% of P1 - S6 pupils have taken the Free School Meal entitlement, which is up 6% on the previous year.

The Council was invited as part of the 'All Age Childcare' funding bid for 2024/25 to include proposals for scoping childcare needs with families with children under 3 in targeted areas. The bid was successful and planning for engagement with families who have children under 3 and who are not entitled to funded Early Learning and Childcare is well underway.

Two Early Years Family Workers, funded as part of the bid, are engaging with families during a range of family learning activities to informally gather information from parents regarding their childcare needs. Family activities include Come and Play and Postnatal Peep, Community Chattertots, Peep, Art at the Start, Buggy Walks, Peep for Babies, and Peep for Toddlers. Other routes to engagement include working with Health Visiting Early Years Support Workers to co-deliver family support sessions, librarians who run facilitated Bookbug sessions and other groups working with parents/young children in each targeted community.

Welfare Support Grants to Children and Families

Collaborative working continues. Access to advice in Morgan Academy has proved very successful with further expansion into Braeview, Baldragon and Craigie schools having been subject to an ongoing test for change. Income Maximisation gains from all four schools stands at £1,305,694 which includes access to the various welfare support grants available.

Income maximisation initiatives across the city are ensuring citizens are receiving all benefits and support payments they are entitled to. This focused approach has generated around £13.6m in income. In Stobswell West, greater money and benefit advice is being provided in partnership with the Stobswell Forum at the Connect shop, greater community and intergenerational activities, and efforts to tackle quality in private rented properties in the area.

The Promise

The Our Promise Annual Report submitted to Elected Members in October 2024 illustrated significant progress in the balance of family-based versus residential care and in outcomes for care experienced children and young people. The service continues to build capacity across kinship, foster care and local residential care options. The Fostering, Adoption and Continuing Care Service recently improved inspection grades across all 3 categories. Three of the 7 Children's Houses have recently been inspected and 2 were Good and Very Good. The other had experienced challenges and the team continues to receive support.

Local Fairness Initiatives

The Linlathen Local Fairness Initiative continues to mature with services and community activities expanding. The Initiative was the winner of the Association of Public Service Excellence award for Best Collaborative Working with others in the Public and Third Sector. The award recognised efforts by the council and its partners in tackling poverty and inequalities in one of the most disadvantaged areas of the city. Residents of Linlathen have benefited from this partnership due improved access to advice and support, enhanced opportunities for families to participate in free activities, access to further education at Dundee and Angus College for young parents and access to free childcare to reduce barriers to employment.

Planning for the delivery of external wall insulation as a major measure to reduce fuel poverty is progressing. Tenders from contractors have been received and the procurement process is underway.

The employability approach that proved successful in Linlathen is now being extended to Mid-Craigie and Douglas. Progress in the Stobswell West Local Fairness Initiative is accelerating following a Columba 1400 planning event and the appointment of a co-ordinator for the year 2025/26. The first drop-in session for local people to access benefits /employability/housing and other advice and support was held in the Dundee International Women's Centre on 30 May 2025.

Budgeting

Despite the challenging budget situation every effort has been made to protect and prioritise work to support families and tackle child poverty when managing the Council's budget. This year's budget has again frozen the cost of school meals.

The 2025/26 budget sees a commitment of £7.5m worth of additional funding for Children's Services and £500,000 cost of living support. An additional £652,000 Scottish Welfare Funding was distributed in late November 2024, increasing the support to families in crisis or to support people to remain in their homes.

The Council is dedicated to supporting customers remain in their tenancies via the Discretionary Housing Payment fund. £4m of Discretionary Housing Payments/Local Authority Hardship Fund Payments have been awarded to tenants (2024/25 provisional figure).

To help families and children the cost of school meals frozen again in the 2025/26 budget.

Free bus travel for Under 22s

There are now 24,309 under 22-year-olds with an NEC card with the free bus travel on it. That is 79% of the Dundee 5-21 population. Systems are now in place to increase and maintain the take up of NEC by Under 22s for free bus travel. In addition to the Scotland wide Get Your NEC, specific application routes in Dundee include:

- Customer Services Face to Face by appointment or over the telephone and they can drop off evidence in support of their application
- Parents Portal adopted and rolled out in Dundee
- Schools offer support to apply but issue a strong message to use GYNEC and Parents Portal. Reaching out to entitled young people that have not yet acquired a free bus pass will continue.

Mainstreaming Equality

Overall, Dundee City Council made good progress in mainstreaming its equality outcomes for 2021- 2025 into its everyday practice. Of the 87 individual specific actions 78 have been fully completed with the remaining nine actions having a completion rate of between 40% and 85%. The outstanding actions will all be incorporated and progressed within the new 2025-2029 plan.

The Council prioritises its equalities outcomes. We take a human rights approach in tackling inequalities, having particular regard to the UN Convention on the Rights of the Child (UNCRC). 100% of schools in Dundee are now engaging in the Rights Respecting schools' programme. During 2024, both St Ninian's RC Primary School and Rowantree Primary School received gold awards from UNICEF UK's Rights Respecting School Programme, while Craigiebarns Primary won the SportScotland Gold School Sport Award.

Positive Destinations for Young People 16-19

The second phase of progress with the Council's new single Corporate Employability Service has progressed. With full implementation due in the very near future. The Council's new approach will complement the outcome of the Challenge Fund and further the vision and goals outlined in the Discover Work Strategy & Action Plan 2022 – 2027. In addition, elements of All in Dundee's service offer are to be scaled up following the award of additional No One Left Behind funding for Specialist Employability Support. Information on performance of the Employability Pathway programme for 2024/2025 is being prepared and will be included in a report for the Fair Work, Economic Growth, and Infrastructure Committee from June 2025. A summary of performance will be provided within this report.

Further progress has been made with the agreed 'Positive Destination Improvement Plan' which responds to findings of our report 'A Step Change in Positive Destinations for Young Dundonians'. This has included the establishment of 'Improvement Groups' within each Secondary School and offsite Learning & Training.

The Council has again supported the Career Ready initiative by giving young people paid internships to let them see the potential work opportunities in a local authority. Over four weeks in summer 2024 nine senior secondary pupils experienced different aspects of services during their internships across council and health and social care partnership teams. The young people benefited from one-to-one support and guidance from a volunteer council mentor over the 18-month total period of the programme. In addition to the work experience itself the students benefited from their involvement in several other joint activities. They demonstrated real teamwork to help reorganise the donation point at the premises of Dundee Starter Packs. The students also gained certification after attending a life-saving training course provided by Heartstart Discovery.

Performance Scorecard

Priority	On Target	Within 5% of Target	Not on Target	Total	Improved or the same as last year (% of total)
Reduce Child Poverty and Inequalities in Incomes, Education and Health	2	5	1	6	5 (83%)

Most Improved PI's 	Most Deteriorating PI's 
% of care experienced young people in positive destinations	% of 16–19-year-olds living in SIMD 1 areas participating in positive destinations
% Take up of free school meals entitlement P1 - S6	
% of 5-21 population who have a free bus concession NEC smartcard	

Status	Indicator	Yr-2	Yr-1	Latest Figure	Current Year	Yr 5 (26/27)	Short Term Trend	Long Term Trend	Notes
		Data	Data	Data	Target	Target			
	Overall school attendance of all children and young people living in SIMD 1**	86%	87%	88%	95%	96%			Attendance from the start of academic year 2024/25 up to March 31st.

Status	Indicator	Yr-2	Yr-1	Latest Figure	Current Year	Yr 5 (26/27)	Short Term Trend	Long Term Trend	Notes
▲	Average Total Tariff for SIMD 1*	629	577	593	605	805	▲	▼	There have been different approaches to awarding in sessions since 2019/20. Comparisons of attainment between years should be treated with significant caution and do not allow for conclusions to be drawn on changes in education performance during this time.
▲	Percentage of 16–19-year-olds living in SIMD 1 areas participating in positive destinations ***	84.1%	87.3%	86.3%	90%	100%	▼	▲	Mid-year data from Skills Development Scotland Interim Participation Snapshot .
✓	Percentage of care experienced young people in positive destinations	83%	71%	100%	93%	100%	▲	▲	Key workers in the youth employability service are continuing to support CEYP across Dundee and support them into positive destinations.

Status	Indicator	Yr-2	Yr-1	Latest Figure	Current Year	Yr 5 (26/27)	Short Term Trend	Long Term Trend	Notes
✓	% Take up of free school meals entitlement P1 - S6	48%	53%	58.6%	54%	60%	▲	▲	This plan previously measured take up of means-tested free school meals for pupils in P6-S6. However, this data is no longer supplied, so this replacement indicator measures take up of free school meals for all primary pupils and now includes the P1-P5 group who have universal entitlement to free meals.
▲	Percentage of 5-21 population who have a free bus concession NEC smartcard	69%	75%	79%	82%	99%	▲	▲	Previous years' data has been revised due to a correction in the data source. There has been a continuation of increasing trend between 2023/24 and 2024/25 following on from previous years.

* Data is a year behind i.e. latest figure data and current year target is for 2023/24

** Latest figure data is March 2025. Current year target shown is target for 2024/25

*** Latest figure data is mid-year. Current year target shown is target for 2024/25

Performance Indicator Key

Status		Short Term Trend		Long Term Trend	
■	More than 5% away from Target	▲	Improving	▲	Improving
▲	Within 5% of target	=	Maintaining	=	Maintaining
✓	On Target	▼	Deteriorating	▼	Deteriorating

Progress on Key Actions

Status	Actions in the plan	Progress %	Due Date	Notes	Lead
✓	Deliver on the Mainstreaming Equalities Report Action Plan	100%	31st March 2025	Equalities Mainstreaming Action Plan (2025-29) approved at City Governance Committee on 21 April 2025	CEX
✓	Promote the uptake of concessionary travel scheme for young people, ensuring quick and easy access to entitlement	100%	31st March 2027	This indicator will continue to be monitored and reported on via the service plan for the Chief Executive's Service.	CEX
▶	Continue work to reduce the cost of the school day	85%	31st March 2027	The Welfare Officer Pilot in the Morgan Cluster expanded to the Baldrigon, Braeview and Craigie schools.	CF
▶	Implement the recommendations of The Promise to deliver the Scottish Government's commitment to care for Scotland's most vulnerable children and give them the best possible childhood.	85%	31st March 2032	The Council has made significant progress in the balance of family-based versus residential care and in outcomes for care experienced children and young people.	CF
▶	Prioritise welfare support grants to children and families.	80%	31st March 2027	Income Maximisation gains from Morgan, Baldrigon, Braeview and Craigie schools stands at £ 1,305,694	CS
▶	Monitor progress of the Local Fairness Initiatives to ensure support and engagement across council services, as well as implementing changes to services or policies, as appropriate.	75%	31st March 2027	The employability approach that proved successful in Linlathen is now being extended to Mid-Craigie and Douglas.	CEX

Status	Actions in the plan	Progress %	Due Date	Notes	Lead
	Maintain momentum in energy efficiency and wall insulation programmes to reduce fuel poverty for children and families	60%	31st March 2027	Procurement process for the first phase of the Linlathen Retrofit project is underway.	NS
	Increase and enhance employment pathways, in particular supporting around 11,000 unemployed or economically inactive people towards job seeking and 16–19-year-olds into positive destinations	40%	31st March 2027	The Council's single Corporate Employability Service will complement the outcome of the Challenge Fund and further support the vision and goals outlined in the Discover Work Strategy & Action Plan 2022 – 2027.	CD
	Build on the United Nations Convention on the Rights of the Child #MakeltRight campaign encouraging young people to know about their rights under the UNCRC, and for adults and the public sector to help safeguard those rights.	30%	31st March 2027	All schools are audited in relation to the Rights respecting Award and are expected to achieve at least Bronze Award.	CF
	Expand our free early years education to all 1- and 2-year-olds, starting with children from low-income households.	10%	31st March 2027	Early Years Family Workers have built positive relationships with families who have children under 3 and who are not entitled to funded Early Learning and Childcare. Families are now engaged in a wide range of family learning activities.	CF

CD-City Development, CEX-Chief Executive Services, CF-Children and Families, CS-Corporate Services, NS-Neighbourhood Services

Action progress symbols and progress percentage explained

	In Progress - Action is progressing well, on target for achieving all objections set in the initiation phase. 20% - The task is defined and agreed by relevant partners/stakeholders. 40% - Necessary tasks planned and implementation in early stages. 60% - Number of key actions achieved/agreed process or improvement taking shape or in place or underway. 80% - Majority of actions achieved/ agreed process or improvement largely in place or underway leading to confidence that the overall action will be delivered in full/on schedule.
	Overdue – Action is still progressing; however, it has exceeded its due date.
	Completed - Action has been completed, and objectives have been achieved.

Deliver Inclusive Economic Growth and Community Wealth Building



“Dundee will have a strong, creative, smart and sustainable city economy with jobs and opportunities for all.”

Dundee Plans

- Tay Cities Regional Economic Strategy & Action Plan
- Tay Cities Regional Deal Document
- Tay Cities Skills Investment Plan
- Tay Cities Region Tourism Strategy
- Dundee City Centre Events Strategy
- Dundee Local Development Plan
- City Centre Strategic Investment Plan
- 2001-2031 Waterfront Masterplan
- Community Wealth Building Strategy

Strategic highlights from last year

- Since it opened, Michelin Scotland Innovation Parc has become a centre for innovation and skills. It includes an Innovation Hub and Labs and a Skills Academy led by Dundee and Angus College. The Parc has also supported 53 new businesses through its Innovator Accelerator programme, creating more than 80 jobs elsewhere. Advanced textiles manufacturer Wilkie has become the major shareholder planning to invest up to £50 million and triple its workforce to 600.
- The development of the new BT Dundee office is complete, with BT taking occupancy in early 2025. The development is equipped with the latest state-of-the-art technology, features a range of communal and collaborative spaces and areas for colleagues to socialise in as well as a games area and an in-house coffee shop.
- Significant progress is being made on James Thomson House, a £26million development in the Waterfront which will provide 52,600 square feet of Grade A office accommodation when completed later this year.
- Latest data available (for 2023/24) shows Dundee has 10,000 jobs within the tourism sector. Employment levels in the sector have risen for the first time since the pandemic, suggesting positive steps towards recovery.

- A number of projects in Dundee are set to receive a share of £20 million of UK Government funding. The city was allocated the cash by the former Levelling Up Partnership, which is now named the Community Regeneration Partnership (CRP) under the Ministry of Housing, Communities and Local Government (MHCLG). Projects are grouped under one of three themes: Accelerating Dundee's Business Ambitions, Enhancing the City Centre and Bridging the Divide.
- Removing Barriers to Employability: DFN Project SEARCH Ninewells, a partnership project including the Council received the SURF Award for Best Practice in Community Regeneration. This project supports young people with diverse additional needs into meaningful employment.

National Performance Framework

(Aligning global, national and local aims)

The UN Sustainable Development Goals



The National Performance Framework



A globally competitive, entrepreneurial, inclusive and sustainable economy



Thriving innovative business with fair and quality jobs for everyone



Open connected and make a positive contribution internationally

Council Plan Key Priority



Deliver Inclusive Economic Growth (including Community Wealth Building)

Actions completed 2024/25

- Deliver an extensive community wealth building strategy, ensuring the maximum level of investment possible is retained within Dundee to support local jobs.

Actions in progress for completion 2025/26

There are no actions due to be complete in the year ahead but there are five that have assessed as 50% complete. These are:

- Increase the percentage of care experienced young people in positive destinations.
- Continue to raise the profile of the city through a range of marketing activities, promoting key messages, assets and opportunities to businesses, investors, developers and visitors.
- Increase the number of start-ups and SMEs in the city and support their expansion.
- Maximise apprenticeship opportunities within the Council and working with schools to promote the Council as an employer of choice.
- Increase the percentage of Dundee City Council Procurement spent with Dundee based organisations.

46.9%

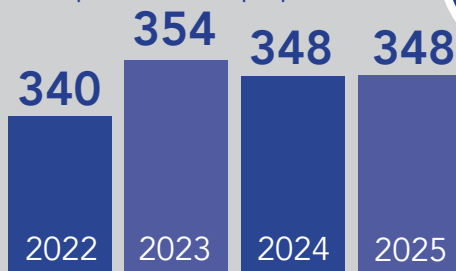


of Dundee City Council procurement spent with
Dundee based organisations in 2023/24

2020/21 - 37.5% • 2021/22 - 36% • 2022/23 - 39%

Target
2023/24 - 39.4%
2026/27 - 50%

Business SME business
base per 10,000 population



Target
2025 - 372

1.36m

Visitors to Dundee in 2023,
bringing **£290m** into the city.



Priorities in Action

Promoting The City

The Council works closely with the city's Tourism Leadership Group to deliver coordinated city marketing activity which encourages people to come to Dundee and stay longer to explore its attractions, green spaces and hospitality venues. The flagship Do It All in Dundee campaign proved hugely successful in 2024, running in spring and summer across a range of digital platforms and far exceeding industry benchmarks. An evolution of the Put Dundee on your Map branding launched following the Covid pandemic. It primarily used short videos to showcase the city's tourism offering. These were shared via YouTube, Facebook, Instagram and TikTok. Key themes included walking, cycling and other outdoor activities, eating out and hospitality and Dundee's range of public art. Analysis of the campaign phase showed that the videos were viewed around 1.7million times in the space of a few months, and there was strong follow through in terms of people clicking onto the campaign web pages to find out more.

Visitor numbers to the city have increased to 1,357,000. Visits to cultural attractions totalled more than 979,000 over the last year

The Invest in Dundee platform has been refreshed with new content, and the dundeewaterfront.com and investindundee.com websites have been merged into a single, streamlined site: investindundee.com. The updated website includes a Meet the Team section, offering a more personal and accessible approach for those looking to connect with us. Beyond the website, the Invest in Dundee team is actively promoting the city, with LinkedIn as the primary platform for engagement. Additionally, a programme of company engagement activities has been launched, including business visits, event sponsorships, and attendance at key industry events.

More visitors are attracted to the city, with the latest data showing that Dundee welcomed 1,357,000 visitors during the last year.

Waterfront Development

The Construction of the new James Thomson House continues and is due for completion in 2025. The Council has engaged with prospective tenants for the office space and ground floor commercial units. Once complete the building will provide 51,600 square feet of Grade A office accommodation.

The new BT building is one of the most sustainable offices in the city with features like EV chargers and a brown roof that self-vegetates from windblown and bird seed dispersal ensuring the buildings' impact on the environment will be minimal. The office will also help to encourage active travel, supporting colleagues who chose to cycle to work with showers and clothes drying facilities.

The Council is developing proposals for Dundee Marina/Bluescape area of the Waterfront which includes a detailed business case for Tay Cities Regional Deal funding.

The corner site of Dock Street and Gellatly Street (formerly the Department for Work and Pensions building), is being converted into residential apartments by developer Cater Group. Cater Group and Hillcrest Homes have agreed a contract for a mix of 49 newly converted and new build apartments within Dundee's city centre up-and-coming waterfront area. This is Cater Group's first social housing build contract with Hillcrest Homes.

A further £13m residential development, being constructed by Cullross Ltd and Enevate Homes on behalf of Hillcrest Homes, will deliver 119 affordable waterfront apartments close to Dundee city centre. The development is utilising a pioneering method of construction with a number of benefits from more efficient use of construction materials, reduced construction waste, less demand on raw materials, and overall construction time drastically reduced.

Supporting Start Up Businesses and SMEs

Business Gateway Tayside Service continues to meet or exceed performance targets. The positive position reported in last year's annual progress report has been maintained with just under 350 small and medium enterprises per head of 10,000 working age population.

The Shared Prosperity Fund (UKSPF) for 2025/26 has awarded £2.44m to the Council. This investment is designed to drive forward economic development in Dundee and support ongoing initiatives like employment programmes and assisting commercial companies spinning out from biomedical research. The funding has also been used to provide digital supports to SMEs, provide grant support (Dundee Business Growth and Innovation Grant; SME Development Grant; Overseas Market Development Grant); provide SME skills support via Dundee & Angus College and to support delivery of a Digital Accelerator programme. Two Community Advisers have also been employed using UKSPF to offer outreach support to start-ups and SMEs.

The Michelin Innovation Parc has supported 53 new businesses through its Innovator Accelerator programme, creating more than 80 jobs elsewhere. Advanced textiles manufacturer Wilkie has become the major shareholder planning to invest up to £50 million and triple its workforce to 600. This will be in addition to just under 200 staff already on site.

Employment pathways for unemployed people and 16-19 positive destinations

There has been a significant increase in the proportion of people entering a positive destination after engaging with the local employability pathway. Sector-based work academies (SBWAs), initiated by the Discover Work Partnership are playing a growing role in supporting unemployed people in Dundee back into work. An increase in the frequency, variety and volume of these initiatives has been a contributing factor in a significant and sustained performance. In the last two years, SBWAs have been delivered with Discovery Flexibles, Social Security Scotland, NHS Tayside, Hillcrest, Dundee City Council (Parking Attendants and Social Care Officers), BT Group, Tayside Contracts, Sense Scotland and Ember.

There has been a marginal decrease in the most recent data for the percentage of all 16-19-year participating in positive destinations, from 90.5% to 89.9%. Positive destinations remain a key area of improvement for Dundee.

The second phase of the Council's new single Corporate Employability Service has progressed with full implementation due in the very near future. The Council's new approach will complement the outcome of the Challenge Fund and further support the vision and goals outlined in the Discover Work Strategy & Action Plan 2022 – 2027. In addition, elements of All in Dundee's service offer are to be scaled up following the award of additional No One Left Behind funding for Specialist Employability Support. Information on performance of the Employability Pathway programme for 2024/2025 will be prepared for and included in a report for the Fair Work, Economic Growth, and Infrastructure Committee from June 2025

Further progress has been made with the agreed 'Positive Destination Improvement Plan' which responds to findings of our report 'A Step Change in Positive Destinations for Young Dundonians'. This has included the establishment of 'Improvement Groups' within each Secondary School and offsite Learning & Training.

75% of 992 employability pathway customers progressed into employment, education, or training.

Long-term City Centre Investment Plan to deliver a vibrant City Centre

The plan has progressed significantly over the last year and the Council has continued to develop various projects within the city centre, including a shopfront improvement pilot, a new policy relating to commercial waste storage, securing design funding for the pedestrianisation of Union Street, a night-time economy pilot, lighting of key buildings, events planning, and traffic calming measures for Commercial Street. Stakeholder engagement and growing awareness of the plan has also generated significant interest from investors and developers, leading to multiple in-person presentations, discussions and site visits. All of this work contributes to the delivery of the plan's vision, ambitions, strategic outcomes and actions. The developments/projects include:

- Housing developments at Thorter Loan, Gellatly Street, Murraygate, Seagate/Trades Lane and Crichton Street.
- Douglas Street Purpose Built Student Accommodation (PBSA). Phase 1 is complete, and Phase 2 is under construction. Construction also continues on the Brown Street PBSA.
- GIS mapping of development opportunities in and around the city centre has been completed and is being monitored.
- Discussions are ongoing with the owners of the Wellgate Centre and Dundee and Angus College regarding the redevelopment of the Wellgate Centre into a new College Campus.
- Work on cruise ship offer and visitor welcome continues. New printed map highlighting attractions in City Centre and Broughty Ferry developed for use.
- A new Tourism Strategy has been developed for the next 5 years, and an action plan is being finalised.
- A strong pipeline of events, conferences and meetings for 2025/26 is being developed, including some active enquiries for 2027 bookings already.
- The Bell Street Sustainable Transport Hub continues to progress on site with project completion set for 2025/26.
- The Active Travel Freeway Network recently secured £745k of external funding from Transport Scotland to develop the technical design of the Lochee and Arbroath Road Corridors during 2025/26, with both routes connecting to the city centre's active travel proposals.
- The Union Street pedestrianisation technical and detailed design stage is now complete. A funding bid was submitted to Transport Scotland's Tier 2 Active Travel Infrastructure Fund for construction stage funding in 2025/26, with the outcome expected June 2025.
- The Sustainable Transport Delivery Plan has been finalised.
- The Take Pride in Your City 'City Centre Community Clean-up' took place in March 2025. During the three days, Council teams from the Environment Service, City Centre Management and Community Justice Services carried out additional works such as the removal of litter and debris, cleaning around bins as well as graffiti removal. City centre stakeholders, such as local businesses, also got behind the initiative by carrying out clean-up activities in and around the city centre area. A litter pick, led by McDonalds, and gardening activities also took place each day.

Community Wealth Building

The Council's Procurement Strategy and Meet the Buyer events helped to create opportunities and maximise the benefits for communities in the city. The Procurement Team was recognised as a finalist at this year's prestigious Government Opportunities (GO) Awards 2024, highlighting the team's commitment, expertise, and impactful work within public sector procurement. The GO Awards are among the highest accolades in the public procurement sector, celebrating innovative approaches, outstanding results, and valuable contributions to the community. Although the team did not take home the top award this time, a finalist position reaffirms the Council's dedication to delivering value and supporting Dundee City Council's goals through best-in-class procurement practices. Procurement spend on local enterprises was 46.9% in 2024, a rise of 8% from the previous year. The Council's Community Wealth Building Strategy and Community Wealth Building Action Plan is being submitted to City Governance Committee for approval in June 2025.

The Council's Community Wishes portal was launched in 2024. The portal connects local community groups with business contractors to foster collaboration and enhance community development by increasing community voice and benefitting local communities. Community Groups get support for small projects, maintenance, clean ups or more. In turn, contractors fulfil community benefit requirements by selecting moderated projects relevant to their expertise, interest and organisational goals.

Performance Scorecard

Priority	On Target	Within 5% of Target	Not on Target	Total	Improved or the same as last year (% of total)
Deliver Inclusive Economic Growth	2	3	1	4	75%

Most Improved PI's 	Most Deteriorating PI's 
Increase the percentage of Dundee City Council Procurement spent with Dundee based organisations	Increase the percentage of all 16-19-year participating in positive destinations
Visitor numbers to Dundee per 1,000 population	
SME Business base per head of 10,000 working age population Businesses	

Status	Indicator	Yr-2	Yr-1	Latest Figure	Current Year	Yr 5 (26/27)	Short Term Trend	Long Term Trend	Notes
		Data	Data	Data	Target	Target			
	Increase the percentage of all 16-19-year participating in positive destinations**	89.4%	90.5%	89.9%	92%	95%			Mid-year data from Skills Development Scotland Interim Participation Snapshot , shows figure of 89.9%. Dundee is ranked 30th out of 32 local authorities

Status	Indicator	Yr-2	Yr-1	Latest Figure	Current Year	Yr 5 (26/27)	Short Term Trend	Long Term Trend	Notes
	Increase the percentage of Dundee City Council Procurement spent with Dundee based organisations*	36%	39%	46.9%	39.4%	50%			2023/24 data shows Dundee is exceeding Council Plan target. Dundee is also exceeding LGBF benchmark, as our family group average is 30.2%. Spend Data for 2024/25 available in July 2025.
	SME Business base per head of 10,000 working age population Businesses	353.8	347.6	347.7	372	400			There are currently 3,450 businesses with fewer than 250 employees in Dundee.
	Visitor numbers to Dundee (,000s) *	650	1,249	1,357	682	1,058			Latest visitor numbers from STEAM Report 2024

* Data is a year behind i.e. latest figure data and current year target is for 2023/24

** Latest figure data is mid-year. Current year target shown is target for 2024/25

Performance Indicator Key

Status		Short Term Trend		Long Term Trend	
	More than 5% away from Target		Improving		Improving
	Within 5% of target		Maintaining		Maintaining
	On Target		Deteriorating		Deteriorating

Status	Actions in the plan	Progress %	Due Date	Notes	Lead
✓	Deliver an extensive community wealth building strategy, ensuring the maximum level of investment possible is retained within Dundee to support local jobs	100%	30th November 2024	A comprehensive action plan focusing on key activities across the 5 pillars of Community Wealth Building will be presented to City Governance Committee in June 2025.	CS
▶	Increase the percentage of care experienced young people in positive destinations	80%	31st March 2032	Key workers in the youth employability service continue to support CEYP across Dundee and support them into positive destinations.	CF
▶	Continue to raise the profile of the city through a range of marketing activities, promoting key messages, assets and opportunities to businesses, investors, developers and visitors	70%	31st March 2027	The Invest in Dundee team continues to actively promote the city, with LinkedIn as the primary platform for engagement. A programme of company engagement activities has been launched, including business visits, event sponsorships, and attendance at key industry events.	CD
▶	Increase the number of start-ups and SMEs in the city and support their expansion	60%	31st March 2027	UK Shared Prosperity Funding has been used to provide digital supports to SMEs, provide grant support, provide SME skills support via D&A College and to support delivery of a Digital Accelerator programmer.	CD
▶	Maximise apprenticeship opportunities within the Council and working with schools to promote the Council as an employer of choice	55%	31st March 2027	Children & Families and Learning & Organisational Development continue to work in partnership, working in all secondary schools with vocational learning advisers to support writing of CVs, application forms and interview techniques with young people	CS

Status	Actions in the plan	Progress %	Due Date	Notes	Lead
	Increase the percentage of Dundee City Council Procurement spent with Dundee based organisations	55%	31st March 2027	Procurement spend with Dundee based suppliers continues to increase. Procurement team continue to engage with local suppliers with over 350 attending the Meet the Buyer event in March 2025.	CS
	Continue to grow the number of jobs within Dundee Waterfront	40%	31st March 2027	Construction continues at James Thomson House. The BT development is complete and proposals for Dundee Marine/Bluescape area are being developed.	CD
	Increase and enhance employment pathways, in particular supporting around 11,000 economically inactive people towards job seeking and 16–19-year-olds into positive destinations	40%	31st March 2027	Elements of All in Dundee's service offer are to be scaled up following the award of additional No One Left Behind funding for Specialist Employability Support.	CD
	Implement the long-term City Centre Investment Plan to deliver a vibrant City Centre	30%	31st March 2027	A range of developments continue to progress towards completion on sites in and around the city centre.	CD

CD-City Development, CEX-Chief Executive Services, CF-Children and Families, CS-Corporate Services, NS-Neighbourhood Services

Action progress symbols and progress percentage explained

	In Progress - Action is progressing well, on target for achieving all objections set in the initiation phase. 20% - The task is defined and agreed by relevant partners/stakeholders. 40% - Necessary tasks planned and implementation in early stages. 60% - Number of key actions achieved/agreed process or improvement taking shape or in place or underway. 80% - Majority of actions achieved/ agreed process or improvement largely in place or underway leading to confidence that the overall action will be delivered in full/on schedule.
	Overdue – Action is still progressing; however, it has exceeded its due date.
	Completed - Action has been completed, and objectives have been achieved.

Tackle Climate Change and Achieve Net Zero by 2045



“Dundee will be a greener city, made up of strong communities where people feel empowered, safe and proud to live.”

Dundee Plans

The Council has several plans and strategies that will be focussed on tackling climate change and reaching net zero by 2045. These include:

- Dundee Climate Action Plan
- Net Zero Transition Plan 2024-30
- Local Area Energy Plan
- Local Heat and Energy Efficiency Strategy
- Air Quality Action Plan 2024-29
- Biodiversity Action Plan 2020-30
- Open Space Asset Management Plan 2024-29
- Local Food Growing Strategy
- Regional Transport Strategy
- Sustainable Transport Delivery Plan 2024-2034
- Waste and Recycling Strategy Action Plan 2025-30

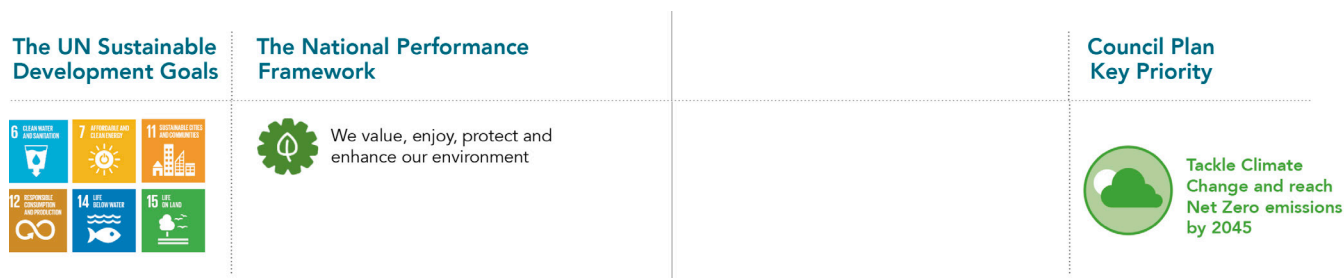
Strategic highlights from last year

- Two key strategies that will drive Dundee towards being a net zero city by 2045 have been approved by councillors. The Local Heat and Energy Efficiency Strategy was approved in April 2024, and the Local Area Energy Plan was approved in September 2024.
- The Council is improving air quality in the City Centre with the enforcement of the Low Emission Zone in May 2024.
- Dundee has made key developments in sustainable and active transport in the past year, with construction commencing on the ambitious Bell Street Green Transport Hub, work towards sustainable transport corridors along the Lochee and Arbroath Road arterial routes, and the further roll out of bike storage and EV chargers across the city.

- The Council is supporting Dundee to be a recycling city, with an increase in recycling rates, and an all-time low landfill rate. The Council's own brand of Discovery compost has received PAS 100 Quality certified recognition for the seventeenth year in a row.
- £171,000 of Nature Restoration Funding has been used to support a range of projects across the city to increase biodiversity and make Dundee a cleaner, greener, brighter and healthier place to live in. This is being supported by a number of community projects and participation.

National Performance Framework

(Aligning global, national and local aims)



Actions completed 2024/25

- Develop a citywide Local Area Energy Plan (LAEP) and Local Heat & Energy Efficiency Strategy in partnership with the Dundee Climate Leadership Group
- Expand the rollout of 'safer school streets' initiative

Actions in progress for completion 2025/26

There are no actions due to be complete in the year ahead but there are six that have assessed as 50% complete. These are:

- Develop and implement a Net Zero Transition Plan and Carbon Budget for DCC
- Embed a Cycle Network Plan within the Local Development Plan
- Deliver Scotland's first council-led green participatory budgeting initiative – Dundee Climate Fund
- Provide further opportunities for pedestrianised areas, pocket-parks and support empowered communities to be partners and leaders on local plans and initiatives to develop biodiversity, local food growing and community spaces
- Deliver the action plan to reduce waste, and reuse or recycle more
- Support the Scottish Government's plans to invest £500 million nationally over the next 5 years to support walking, wheeling and cycling infrastructure

Dundee City Council's Carbon emissions in 2023/24 were:

27,064 tCO₂e

2021/22 - 28,270 tCO₂e • 2022/23 - 24,413 tCO₂e



Target
2023/24-26,990
2026/27-20,596

Dundee energy consumption in buildings goes up in 2023/24.

2021/22 - 20,823 tCO₂
2022/23 - 17,562 tCO₂
2023/24 - 18,656 tCO₂



Target
2023/24-19,781
2026/27-16,111

36.6%



Household waste recycling rate; and an all-time low of 1.5% of household waste going to landfill.

Target
2023/24-37%
2026/27-47%



21

Community Projects have been funded with approximately £655,000 from the Climate Fund.

Priorities in Action

Low emission zone delivery

Dundee City Council's Net Zero Transition Plan outlines the Council's organisational approach and emissions reduction programmes to achieve its goal of becoming a net-zero organisation by 2038 or sooner. It includes key actions structured around 4 themes of Net Zero Emissions, Climate Resilience, Engagement and Circular Economy and implements a carbon accounting process that will embed delivery across all our Services.

In addition to the Council's Net Zero Transition Plan, the Local Heating and Energy Efficiency Strategy (LHEES) and the Local Area Energy Plan (LAEP) have both been approved by councillors in April 2024 and September 2024 respectively and will complement each other to support the city in delivering its 2045 net-zero target.

The LHEES identifies opportunities for energy efficiency improvements, heat decarbonisation and priority areas suited for developing heat networks for buildings across Dundee. The LHEES Delivery Plan outlines 39 deliverable actions in relation to: stakeholder engagement; overarching actions; heat decarbonisation; fuel poverty; energy efficiency; and heat networks. It has identified five prioritised heat network zones; City Centre, Baldovie, Caird Park, Ninewells Hospital and Lochee. The first steps towards a heat network delivery model were taken in September as Councillors agreed a sourcing strategy to secure specialist legal advice to appraise options for the city and make recommendations about the most appropriate model which should be adopted to unlock heat network deployment.

The LAEP provides an understanding of the nature, scale, rate, and timings of changes needed for the transition to a net zero energy system within Dundee by 2045. It takes a whole energy systems approach, so while it has an integral relationship with the LHEES, it has a wider focus. It outlines actions and route maps for its implementation to improve energy efficiency, decarbonise heat, maximise rooftop PV and storage, reduce and decarbonise transport, and ensure network resilience.

Improving Air Quality

The Dundee Low Emission Zone was introduced on 31 May 2022. The two-year grace period ended on 30th May 2024, and the scheme is now being enforced with penalty charge notices being issued to drivers of non-compliant vehicles onwards from this date. There had already been improvements in air quality due to the behaviour change of those who have taken proactive measures ahead of commencement coming in, and enforcement will further improve air quality.

An Air Quality report in June 2024 showed Air Quality in Dundee had met all the targets in the six locations where it continuously monitors nitrogen dioxide (NO₂) and 11 locations where it continually monitors particulate matter (PM). It outlined that Dundee's 2023 NO₂ concentration levels were in compliance with the annual mean NO₂ air quality objectives for Scotland and that PM₁₀ and PM_{2.5} levels in 2023 showed a reduction in the annual mean levels for the common air pollutant when compared with 2022.

Sustainable and Active Travel

The latest data measuring the number of people who cycle shows this is 32% in Dundee. However, this data from 2023/24 will not be updated until next year as this is a biennial indicator. This measure of 32% is below our current target of 36%, however, a number of projects are underway to improve cycling infrastructure throughout Dundee and create safe and useful routes to encourage more people in Dundee, and hopefully this indicator will have increased when it is next updated.

Dundee City Council has been awarded £745,000 in grant funding from Transport Scotland to develop design plans for a 'sustainable transport corridor' along the Lochee and Arbroath Road arterial routes. This new design will integrate previous concepts for active travel and bus priority. The technical design is scheduled for completion by March 2026. These are two of the City's six key strategic corridors with development of concept designs for high-quality Active Freeways aimed to encourage more people to walk, wheel and cycle. These two routes in particular were identified by the Tayside Bus Alliance as being key bus corridors that would benefit from bus priority measures.

Construction has commenced on the Green Transport Hub at the Bell Street multi-storey car park, which is on programme for completion in 2025/2026. This redevelopment will make a significant contribution towards our goal of creating a greener city and cut down on carbon emissions, and works include:

- Installation of Electrical Vehicle Chargers supported by a solar panel array on the roof with a battery storage system.
- A full mechanical and electrical upgrade, as well as the installation of new feature cladding and construction of a ground floor cycle storage and bike reuse centre
- Enhanced landscaping with active travel routes designed with consideration of future active travel connections and development

Bike storage across Dundee has now expanded to three locations: 1) Greenmarket: 32 standard cycles + 2 adapted cycles. 2) Olympia: 22 standard cycles + 2 adapted cycles. 3) Lansdowne Court: 25 standard cycles + 2 adapted cycles.

Dundee City Council has received a number of awards over the year for its drive to net zero and use of electric vehicles (EVs). These included Logistics UK: Van Decarbonisation Winner; EVIES Awards: Public Sector Infrastructure Strategy of the Year; Solar & Energy Awards: Best Accessibility Strategy/Project; London EV Show Awards: Sustainability Award Winner; Greenfleet Awards: Public Sector Commercial Fleet of the Year & EV Champion 2024. In addition, in the past year, Dundee has installed 18x7kW Urban Fox retractable chargers for public use. 2x7kW chargers have also been installed at Kingspark School and the depot chargers at Clepington Road are now live with 25x7kW, 2x50kW and 1x100kW chargers to support Construction Services.

Reduce waste, and reuse or recycle more

In an approach to reach the ambitious recycling target and turnaround the rate of recycling in the city, the Council is progressing with its updated Waste and Recycling Strategy Action Plan 2025-30 to reduce waste as well as improve recycling and reuse. The recycling rate has increased in the previous year from 35.6% to 36.6%, and landfill rates are now at an all-time low with just 1.5% of all residual waste going to landfill and the remainder being used to provide energy through the Council's energy from waste facility.

Discovery Compost is produced by the Council from the garden waste taken from brown bin collections, the same materials brought to the city's recycling centres and from green waste produced from local parks and commercial landscapers; this helps to minimise our carbon footprint as well as making a valuable product. Dundee City Council has recently received PAS 100 Quality certified recognition for its compost for 2025/26, the seventeenth year in a row. This also follows an investment in acquiring a Green Waste Shredder for the city's Riverside Composting facility to enable more control and flexibility in delivering the composting service while bringing revenue savings.

36.6% of household waste was recycled in Dundee in 2023, a 3% increase from 2022.

Supporting Biodiversity

Seven parks in the city successfully attained a Green Flag award in 2024/25, by submitting a Management Plan and hosting a site visit by an external assessor. Last year Dundee was awarded £171,000 of Nature Restoration Funding. This funding was used to enhance the existing Nature Network and improve Nature Network links to protect species at risk. Projects included:

- Removal of 6,000 square metres of invasive laurel shrub in Camperdown Park woodland and replacement with native trees and shrubs.
- Further improvement work at the new climate resilient woodlands near Clatto, including path upgrades, wildflower sowing and deer fence removal.
- Path repairs and wildflower area creation in storm damaged areas at Templeton Woods.
- 450 native trees and shrubs were planted at Riverside Nature Park to reduce litter blowing from the recycling centre.
- An area of dune grassland at Broughty Ferry Local Nature Reserve was fenced off to allow for natural grassland regeneration.
- 30 large street trees were planted in empty tree pits across the city.
- Four new biodiversity grassland areas were created along Lochee and Coupar Angus Road.
- 36 Swift boxes were purchased and erected on Council and University of Dundee buildings.
- 100 amphibian ladders were installed in roadside gully pot drains in two amphibian hotspots in the east of the city.

Pedestrianisation, pocket parks & empowered communities

Work is progressing on pedestrian and public realm improvements to Lochee High Street with development works expected to complete by summer 2025. The Council have continued to work in partnership with Sustrans and the local community at Stobswell with the creation of pocket parks in the area and a collaborative concept design has been developed for the next planned pocket park at Eliza Street.

Following the publication of Dundee's City Centre Strategic Investment Plan during 2023, consultants have been appointed to assist with the creation of an Eastern Quarter masterplan. The consultants are working with the Council on the preparation of the masterplan in order to deliver the strategic outcomes of the strategy and to establish a programme of deliverable public realm projects which will inform future capital investment in the Eastern Quarter of the city centre. A wide variety of considerations are being factored into the masterplan and proposed projects, including opportunities to enhance public spaces and active travel through green and blue infrastructure.

The Council also recognises the ability of supported communities to be partners and leaders on local plans and initiatives which diversify greenspaces and make the city a cleaner, greener, brighter and healthier place. To that extent, Local Community Planning Partnerships have actions in their Local Community Plans to focus on the opportunities that local green and open spaces present locally which further the wider biodiversity and community food growing aspirations of the city. Initiatives include garden maintenance, art and cultural projects, recreational and environmental enhancements. An entry into RHS Britain in Bloom awards by Bonnie Dundee, a city-wide network of community groups, organisations, the Council, businesses, schools, and individuals, was awarded a Silver Gilt in the City category. Ninewells Community Garden also picked up the RHS Health & Wellbeing Award.

The Urban ReLeaf citizen science project was launched in July. This project in collaboration with the University of Dundee invited residents to share their perceptions of the city's greenspaces, and valuable data from their feedback will help the Council to achieve its aims for air pollution, health and wellbeing, and biodiversity. Over 500 responses have been collected to date and data will be used to inform Open Space Strategy and Local Development Plan.

Performance Scorecard

Priority	On Target	Within 5% of Target	Not on Target	Total	Improved or the same as last year (% of total)
Tackle Climate Change and Reach Net Zero Emissions by 2045	2	3	1	4	1 (25%)

Most Improved PI's 	Most Deteriorating PI's 
Increase the percentage of waste arising recycled within the city	Measure of cycling in the city
	Reduce Dundee City Council's corporate emissions (Carbon Footprint) towards net zero tCO ₂ e
	Reduce energy consumption in Council buildings tCO ₂

Status	Indicator	Yr-2	Yr-1	Latest Figure	Current Year	Yr 5 (26/27)	Short Term Trend	Long Term Trend	Notes
		Data	Data	Data	Target	Target			
	Reduce Dundee City Council's corporate emissions (Carbon Footprint) towards net zero tCO ₂ e*	28,720	24,413	27,064	26,990	20,596			Compared to the previous year, there was an increase of 10.8% in 2023/24. This was due to increases in Stationary and Transport emissions. The Waste sector, on the other hand, saw a slight reduction in emissions this year.

Status	Indicator	Yr-2	Yr-1	Latest Figure	Current Year	Yr 5 (26/27)	Short Term Trend	Long Term Trend	Notes
✓	Reduce energy consumption in Council buildings tCO ₂ (5% reduction pa)*	20,823	17,562	18,656	19,781	16,111	▼	▲	90% of the increase can be attributed to 3 properties i.e. Olympia, Dundee House and City Square which are returning to normal operation following maintenance.
▲	Increase the percentage of waste arising recycled within the city*	32.6%	35.6%	36.6%	37%	47%	▲	▲	36.6% is the official figure for 2023 reported by SEPA, with 22,456 tonnes recycled out of total generated waste of 61,396 tonnes. Although this is an improvement from the previous year, and performing well against the internal Council target, this remains below the LGBF family group average of 40.4%.
●	Measure of cycling in the city**	26%	32%	28%	32%	40%	▼	▲	This is the most up to date data we have, from the recently published Dundee Walking & Cycling Index 2023.

* Data is a year behind i.e. latest figure data and current year target is for 2023/24

** Data for this indicator is biennial. Latest figure data is for 2023/24.

Performance Indicator Key

Status		Short Term Trend		Long Term Trend	
●	More than 5% away from Target	▲	Improving	▲	Improving
▲	Within 5% of target	=	Maintaining	=	Maintaining
✓	On Target	▼	Deteriorating	▼	Deteriorating

Status	Actions in the plan	Progress %	Due Date		Lead
✓	Deliver the Low Emission Zone to improve air quality (LEZ)	100%	31st May 2024	Dundee's Low Emission Zone enforcement commenced on the 30th May 2024. There is an ongoing statutory requirement for DCC to annually report on the performance of the LEZ	NS
✓	Develop a city-wide Local Area Energy Plan and Local Heat & Energy Efficiency Strategy in partnership with the Dundee Climate Leadership Group	100%	31st March 2024	The Local Area Energy Plan (LAEP) was agreed by Committee on 23rd September 2024, and the Local Heat and Energy Efficiency Strategy was approved by Committee and published in April 2024.	CD
✓	Expand the rollout of 'safer school streets' initiative	100%	31st March 2027	Completed March 2025. Active Travel officers continue to support School Streets with a variety of behaviour change measures at 13 schools which are taking part.	CD
▶	Develop and implement a Net Zero Transition Plan and Carbon Budget for DCC	85%	31st March 2027	Net Zero Transition Plan approved by committee November 2023, and 1st annual report agreed by committee in January 2025 with a full update on actions and emissions reduction.	CD
▶	Deliver Scotland's first council-led green participatory budgeting initiative – Dundee Climate Fund	85%	31st March 2027	Dundee Climate Fund Round 3 is underway, voting closes on the 17th March. Reclaiming of underspend funds from Round 1 is underway, this will be reallocated to projects from Round 3.	CD
▶	Embed a Cycle Network Plan within the Local Development Plan	75%	31st March 2027	The Sustainable Transport Delivery Plan is currently being updated to reflect additional active travel projects.	CD

Status	Actions in the plan	Progress %	Due Date		Lead
▶	Provide further opportunities for pedestrianised areas, pocket-parks and support empowered communities to be partners and leaders on local plans and initiatives to develop biodiversity, local food growing and community spaces	60%	31st March 2027	This action promotes further development of pedestrianised areas (former roads now restricted to pedestrians) alongside other initiatives that transform spaces from car to community, social and biodiversity use. Projects included in this are outlined above (see pedestrianisation, pocket parks and empowered communities).	NS
▶	Deliver the action plan to reduce waste, and reuse or recycle more	60%	31st March 2027	Work is progressing on the updated 2025 -2030 Waste Strategy Actions plan. This will reflect new and emerging legislative and regulatory obligations and will set out how these will be met over the next 5 years. The plan will include updated key objectives and actions.	NS
▶	Support the Scottish Government's plans to invest £500 million nationally over the next 5 years to support walking, wheeling and cycling infrastructure	60%	31st March 2027	Continuing to pursue external funding to deliver active travel schemes as identified within the Council's Sustainable Transport Delivery Plan 2024-2034.	CD

CD-City Development, CEX-Chief Executive Services, CF-Children and Families, CS-Corporate Services, NS-Neighbourhood Services

Action progress symbols and progress percentage explained

	In Progress - Action is progressing well, on target for achieving all objections set in the initiation phase. 20% - The task is defined and agreed by relevant partners/stakeholders. 40% - Necessary tasks planned and implementation in early stages. 60% - Number of key actions achieved/agreed process or improvement taking shape or in place or underway. 80% - Majority of actions achieved/ agreed process or improvement largely in place or underway leading to confidence that the overall action will be delivered in full/on schedule.
	Overdue – Action is still progressing; however, it has exceeded its due date.
	Completed - Action has been completed, and objectives have been achieved.

Building Resilient and Empowered Communities



“Dundee will be a greener city, made up of strong communities where people feel empowered, safe and proud to live.”

Dundee Plans

- Strategic Housing Investment Plan 2025-30
- Empty Homes Strategy 2024/27
- Rapid Rehousing Transition Plan
- Tenant Participation Strategy
- Community Learning & Development Plan 2024/27
- Dundee Community Safety Outcome Improvement Plan
- Local Community Plans 2022-2027
- City Centre Strategic Investment Plan

Strategic highlights from last year

- Dundee City Council has made significant progress in housing in 2024/25. A total of 341 new Council and Registered Social Landlord houses have been completed, exceeding our annual target of 200. In addition, Dundee's Empty Homes Strategy 2024/27 has been approved by councillors which puts in place a strategic framework to ensure that empty houses can instead be provided as homes.
- An updated Community Learning and Development Plan 2024/27 was approved by councillors in September 2024. This will co-ordinate the provision of CLD by the Council and our partners to empower people, individually and collectively, to make positive changes in their lives and their communities, through learning.
- Dundee City Council continues to engage with our communities through encouraging participation. Communities are routinely consulted on a range of community priorities, and the number of Dundee Citizens contributing to local community plan outcomes increased by 39% between 2023/24 and 2024/25. The Council has exceeded the 1% target for participatory budgeting, with 11,063 citizens taking part in several participatory budgeting exercises.

- The new East End Community Campus has been named the Drumgeith Community Campus, with the new secondary school on site being named the Greenfield Academy. The campus will serve both pupils and communities by providing a modern facility for a range of community, library, leisure, and sports facilities.
- Anti-social behaviour in the city has maintained at a similar level between 2023/24 and 2024/25. There were 1,314 complaints in 2024/25, compared to 1,302 in 2023/24. We are currently below our 2024/25 target of 1,432. This follows a decreasing trend in recent years from 1,522 in 2021/22.

National Performance Framework

(Aligning global, national and local aims)

The UN Sustainable Development Goals	The National Performance Framework	Council Plan Key Priority
	We are well educated, skilled and able to contribute to society We grow up loved, safe and respected so that we realise our full potential We are healthy and active We protect human rights and live free from discrimination	Reduce child poverty and inequalities in incomes, education and health Resilient and Empowered Communities Design a Modern Council
	A globally competitive, entrepreneurial, inclusive and sustainable economy Thriving innovative business with fair and quality jobs for everyone Open connected and make a positive contribution internationally	Deliver Inclusive Economic Growth (including Community Wealth Building)
	We value, enjoy, protect and enhance our environment	Tackle Climate Change and reach Net Zero emissions by 2045

Actions Completed 2024/25

- Maximise participatory budgeting in all forms.

Actions in progress for completion 2025/26

- Kirkton Community Hub Trial (95% complete, due 30th June 2025).

In addition, four actions due for completion in 2026/27 are already more than 50% complete. These are:

- Working with the Scottish Government on a Local Democracy Bill to further empower councils and communities.
- Increase community ownership of Council owned assets.
- Invest a further £80+ million in new and improved schools (Western Gateway and East End Campus).
- Build affordable houses that meet community needs.

341



Council and Registered Social
Landlord Housing Completions in 2024/25
2020/21-27, 2021/22-100,
2022/23-101, 2023/24-264

Target
PA
200

17.7%

of retail units vacant
in 2023/24
(8% in 2016)



Target
2032
8%

983

Dundee Citizens
contributing to local
community plan
outcomes.



Target
750

1.18%

of 2023/24 budget
subject to participatory
budgeting.



Target
1%



1470 1302 1314

2022/23

2023/24

2024/25

Antisocial Behaviour Complaints

Priorities in Action

Building Quality Social Housing

A key priority within the Council Plan is the delivery of more social and affordable housing. The aim is the delivery of 1,000 homes over a 5-year period or the target of 200 per annum which is being delivered through the Strategic Housing Investment Programme (SHIP). The Plan includes additional accessible housing for adults with either learning disabilities, physical disabilities or mental health disabilities, to allow them to receive the appropriate care and support that they need within their local community. This is funded through the Scottish Government's Affordable Housing Supply Programme.

There was a total of 341 of new Council and registered social landlord housing completions in 2024/25 which is the highest level of annual house completions in more than a decade, and a 29% increase from 2023/24. There has been a total of 706 completions since the start of the Council Plan, so the Council is making good progress to achieve the 1,000-home target by 2027.

The Council's Empty Homes Strategy 2024/27 was approved by the Neighbourhood Resources, Housing and Estate Management Committee in October and outlines a strategic framework and action plan to use the 1,067 unoccupied houses in the city to provide accommodation. This will be on top of the 132 empty homes which have already brought back into use and currently provide accommodation. This strategy will contribute to alleviate the increasing housing demand of a growing population in Dundee and help to address and prevent homelessness.

In addition to new and affordable houses being built, the Council continues to maintain and improve the existing Council housing stock. Housing and Construction Services presented the Relet and Repairs Recovery Plan to the Neighbourhood Regeneration, Housing and Estate Management Committee in May 2024 which set out to reduce the number of Relets from 545 to 200 within 20 weeks. This was achieved by October 2024 and Construction Services are now concentrating resources on housing repairs.

Local Community Planning

Our 8 Local Community Planning Partnerships continue to work towards their respective Local Community Plans to reduce inequalities in their communities. The five broad Community Priorities within each plan were identified from listening to community members. These are: empowering communities, the cost of living, health & wellbeing, children & families, and climate change.

During the year 2024/25, 12,201 people responded to events and surveys, a 14% increase from 10,729 in 2023/24. Communities are routinely consulted on a range of community priorities, but the increase in numbers is in large part due to communities being consulted for the Neighbourhood Capital Fund. There was a 39% increase in the number of Dundee Citizens contributing to local community plan outcomes increasing from 708 to 983

between 2023/24 and 2024/25. Citizen contribution to Local Community Planning is now well embedded within our structures. The Council's and Dundee Partnership's strategic priority to reduction in inequalities for children and in health inequalities in one of the main drivers of current work and high numbers of volunteers continue to contribute to anti-poverty work in the city. The rise in numbers has also been a result of emerging neighbourhood action groups, and an increase in the number of peer support groups being established, especially men's groups and recovery support.

The Community Learning and Development (CLD) Plan 2024/27 was approved by councillors in September 2024. This outlines 6 key priority outcome areas in line with the City Plan priorities, as well as key actions within each of these outcome areas. This will build on the success of the previous iteration of the CLD Plan 2021/24 which included collaborative approaches to tackle poverty and inequalities with Local Fairness initiatives (LFI) in Linlathen and Stobswell West, What Matters to You Initiatives in Kirkton and Charleston, responding to the cost-of-living crisis with the city-wide Open Doors programme, targeted work with young people and Humanitarian Responses to the war in Ukraine.

The Community Wishes Portal was launched in August 2024 and has since been operating to connect local community groups with business contractors to foster collaboration and enhance community development.

Participatory budgeting

Participatory Budgeting is one of the key drivers of community empowerment giving citizens the power to decide on public sector budgets. The COSLA participatory budgeting target for Local Authorities is defined as 1% of total estimated expenditure. For Dundee in 2023/24, this target was £3,658,270. Participatory budgetary spend in 2023/24 was £4,321,717 which was 1.18% of total estimated expenditure, marking the first time that Dundee City Council has met this Participatory Budgeting target. The final figure includes spend from projects such as the Community Regeneration Fund, Dundee Climate Fund and the District Centre Fund. 11,063 citizens took part in Participatory Budgeting exercises in 2023/24.

The Dundee Climate Fund includes a total of £750,000 to support community-led climate change projects that is awarded in several rounds. The first two rounds have already awarded approximately £655,000 to projects chosen by public vote and have benefitted 21 community projects ran by 18 local groups and organisations. Applications for the 3rd round were voted on between January and March 2025, and the successful applications will be given this funding in the upcoming year.

The Dundee Alcohol and Drug Partnership has devolved over £80,000 to Local Community Planning Partnerships, ensuring that people with lived experience are on decision-making panels and helping to deliver initiatives that meet our City Plan priorities.

Dundee's Voice is developing into one of the main channels for open dialogue with citizens and community involvement that will influence and shape developments in Dundee including the Community Regeneration Fund, Climate Fund, Neighbourhood Capital Fund.

11,063 citizens had a say in participatory budget exercises in Dundee in 2023/24

Community Hubs

The Drumgeith Community Campus project remains on programme for completion by Summer of 2025 with the new campus opening in August 2025. The campus will host the Greenfield Academy secondary school, where Braeview Academy and Craigie High School will relocate to as these are closed and are part of a demolition plan. The Campus will serve as a modern and vibrant central hub for the north and east of the city for both pupils and the community to use. It will provide specialist pupil support provision, as well as music and performing arts, community, library, leisure, and sports facilities for use by the wider community.

Dundee City Council will manage the facility, and a service level agreement will be established for all partners, while Leisure and Culture Dundee will provide services such as sport, leisure, and library activities. The Campus will also provide services redistributed to it from The Hub Library and Community facility and Whitfield Library which will close following the opening of the new Campus. This was agreed by elected members following the consideration of feedback from a public consultation ran by the Council in partnership with Leisure and Culture Dundee over a 6-week period in November and December 2024.

The Council's Community Hub model is also being implemented in Kirkton. The community hubs will be based at the Baldragon and St Paul's academies and will see community activities provided at the two local secondary schools, with the library located at St Paul's. In addition, the Council is working in partnership with Kirkton Community Centre SCIO to support their ambition to build a new community centre on the same site as the current ageing community centre following its demolition. This will complement the community hub model by providing space during the day where people can access a fully operational café, retail units, daily activities and support, and the centre will aim to create community wealth that will be used to invest in community projects in the area. This has recently been awarded £1.5m by the UK Government's Community Regeneration Partnership.

Turning vacant to vibrant

Town Vacancy Rates continues to be a challenge for the Council, despite a slight decrease in the most recent data for empty retail units from 18% in 2022/23 to 17.7% in 2023/34. However, the Council is committed to bringing vacant spaces in town and district centres back to life to make Dundee a vibrant city centre. The Council's City Centre Strategic Investment Plan sets out our ambitions for the development of the city centre up to 2050. The Council is making significant strides to improving public spaces, including pedestrian areas and green spaces to make the city centre more attractive.

The City Centre Strategic Investment Plan will deliver a £2m Investment Programme to the city centre. Current and planned developments for the city centre include: City Streets – Commercial Waste Pilot is now permanent as of 1st March 2024 ; Façade Enhancement Grants in Union Street and £1m Capital Works announced for Eastern Quarter (Murraygate & Seagate). City Dressing to create distinct city centre spaces in key streets. Shop improvement treatments continue on a number of vacant units. City Lights, preliminary works complete at McManus and a City Centre Lighting Masterplan is being developed.

Performance Scorecard

Priority	On Target	Within 5% of Target	Not on Target	Total	Improved or the same as last year (% of total)
Build Resilient and Empowered Communities	3	3	2	5	4 (80%)

Most Improved PI's 	Most Deteriorating PI's 
The percentage of Council budget allocated by participatory budgeting processes	Number of antisocial behaviour complaints
Number of Council and Registered Social Landlord housing completions	
Empty retail unit rate	

Status	Indicator	Yr-2	Yr-1	Latest Figure	Current Year	Yr 5 (26/27)	Short Term Trend	Long Term Trend	Notes
		Data	Data	Data	Target	Target			
	The percentage of Council budget allocated by participatory budgeting processes*	0.66%	0.9%	1.18%	1%	1%			Our PB work has been widespread with involvement in this work across council services.
	Town vacancy rate*	13.3%	18%	17.7%	12.4%	10%			Filling vacant units is part of the City Centre Investment Plan to deliver a vibrant City Centre

Status	Indicator	Yr-2	Yr-1	Latest Figure	Current Year	Yr 5 (26/27)	Short Term Trend	Long Term Trend	Notes
✓	Number of Council and Registered Social Landlord housing completions	101	264	341	200	200	▲	▲	Completions for 2023/24 have exceeded target. A reduced grant in the next year will impact on future completions
✓	Number of antisocial behaviour complaints	1,470	1,302	1,314	1,432	1,244	▼	▲	Work is ongoing to continue to reduce the number of reports of antisocial behaviour. This includes a high level of preventative measures, early intervention, and engagement, and working collaboratively with both internal and external partners.
✓	Number of Dundee Citizens contributing to local community plan outcomes	502	708	983	750	1,000	▲	▲	This includes a number of emerging initiatives within communities where citizens are taking the lead on delivering outcomes.

* Data is a year behind i.e. latest figure data and current year target is for 2023/24

Performance Indicator Key

Status		Short Term Trend		Long Term Trend	
■	More than 5% away from Target	▲	Improving	▲	Improving
▲	Within 5% of target	=	Maintaining	=	Maintaining
✓	On Target	▼	Deteriorating	▼	Deteriorating

Status	Actions in the plan	Progress %	Due Date	Notes	Lead
	Maximise participatory budgeting in all forms	100%	31st March 2027	Completed October 2024. Participatory Budgeting is embedded across different services and budgets in DCC. The principles of providing opportunities for citizens to express their views on how resources are spent is central to our Council's way of working and is not seen as a stand-alone activity undertaken by a central team. Council's Leadership Team oversees the opportunities for new budget areas in their service to be subject or identify where they are already Participatory Budgeting.	NS
	Kirkton Community HUB trial	95%	30th June 2025	The work to re-locate groups and services from Kirkton Community Centre has been completed and the centre closed to all users on 28 April 2025. The building is being prepared for demolition. All Local Management Group activities are taking place in temporary locations until building works are completed to their proposed new locations. Services being delivered as part of our community campus approach in Baldragon and St Paul's have successfully moved. Work has been completed on building modifications in St Paul's, and the library service for the community and the school is now operational. Monthly updates are provided to an officers' working group who are overseeing the implementation of the community campus approach in Kirkton and at Drumgeith.	CF

Status	Actions in the plan	Progress %	Due Date	Notes	Lead
	Increase community use and ownership of Council owned assets	75%	31st March 2027	3 pre-applications for Community Asset Transfer (CAT) and a full CAT request from Mid-Linlathen have been received. A task and finish group in Communities has been established to review the support materials.	NS
	Work with Scottish Government on a Local Democracy Bill to further empower councils and local communities.	50%	31st March 2027	A cross-sector Democracy Matters steering group was formed in December 2024. It is made up of representatives from COSLA, Local Councils, Health Board and organisations representing communities. The group will conclude its work by spring 2025 with the aim of agreeing models in principle and how to progress these through to the next stage of Democracy Matters.	CEX
	Invest a further £80+ million in new and improved schools (Western Gateway and East End Campus)	50%	31st March 2027	The construction of East End Campus remains on track for completion, with the anticipated handover in August 2025. Braeview Academy & Craigie High School will be closed on Friday 27th June, both buildings will be handed over in late July to commence work for demolition.	CF
	Build affordable houses that meet community needs	50%	31st March 2027	As at the end of financial year 2024/5 a total of 341 social rented houses were completed. This is well in excess of the Council Plan target of 200 units	NS
	Incorporate the 20 Minute Neighbourhood concept into the forthcoming the Local Development Plan	30%	31st March 2027	The review of the Local Development Plan has been underway over the previous year, with the Council engaging on topic papers outlining evidence of the extent to which different parts of Dundee could function as 20-minute neighbourhoods. This engagement is now complete, and evidence report is programmed for Fair Work, Economic Growth and Infrastructure Committee in Autumn 2025.	CD

Status	Actions in the plan	Progress %	Due Date	Notes	Lead
	Help reanimate vacant places in the city centre and other retail areas	 20%	31st March 2027	We continue to pitch all vacant units to potential users. City Centre and Overgate continue to have new openings including Korean BBQ, Sostrene Grene, Gumnam and more planned in the next quarter at Overgate. We have met property agents to discuss how to work collaboratively.	CD

CD-City Development, CEX-Chief Executive Services, CF-Children and Families, CS-Corporate Services, NS-Neighbourhood Services

Action progress symbols and progress percentage explained

	In Progress - Action is progressing well, on target for achieving all objections set in the initiation phase. 20% - The task is defined and agreed by relevant partners/stakeholders. 40% - Necessary tasks planned and implementation in early stages. 60% - Number of key actions achieved/agreed process or improvement taking shape or in place or underway. 80% - Majority of actions achieved/ agreed process or improvement largely in place or underway leading to confidence that the overall action will be delivered in full/on schedule.
	Overdue – Action is still progressing; however, it has exceeded its due date.
	Completed - Action has been completed, and objectives have been achieved.



Design a Modern Council

“Our modern Council for the future will be lean and efficient with a clear set of priorities that deliver for Dundee citizens and communities, focusing resources where they can make the biggest difference.”

Dundee Plans

- Long Term and Medium-Term Financial Strategy
- Capital Plan
- Investment Strategy
- Transformation Programme
- Our People and Workforce Strategy
- Best Value Assurance Report and Self-Assessment Improvement Plan
- Communications Strategy
- Property Asset Management
- Digital Strategy

Strategic highlights from last year

- The impact of the Local Government Financial Settlement required the Council to identify upwards of £10m of savings to balance the overall budget. Despite these financial pressures, Dundee City Council has set a balanced budget for the 2025/26 financial year which included resources to tackle the Cost-of-Living Crisis.
- The Council's Transformation Programme is progressing well, with a number of projects being delivered to redesign our processes and services to be modern, based on the needs of their users, and financially sustainable. This will be key to achieving a balanced budget in the coming years. Key themes within the programme include:
 - a) The Council's property portfolio continues to be reviewed and rationalised.
 - b) The Council continues to be digitally innovative with the provision of a wide and increasing range of online services. As well as for our citizens, the Council remains digitally proactive in providing the best use of technology for our employees. Modules on the best practice of M365 are now fully rolled out to maximise the use of the package, including modules such as SharePoint and Teams to ensure the most effective means of document sharing and collaboration.

- A Best Value Thematic Review on Dundee City Council's workforce innovation in 2024 found that the Council's Strategic Workforce Plan 2023-28 responds to workforce challenges through building capacity, increasing productivity and innovation. This review outlined several actions which have been appropriately assigned and are currently underway.
- The Best Value Thematic for 2025 is on Transformation and the report with findings and recommendations will go to Scrutiny Committee.

National Performance Framework

(Aligning global, national and local aims)

The UN Sustainable Development Goals	The National Performance Framework	Council Plan Key Priority
	We are well educated, skilled and able to contribute to society We grow up loved, safe and respected so that we realise our full potential We are healthy and active We protect human rights and live free from discrimination	Reduce child poverty and inequalities in incomes, education and health Resilient and Empowered Communities Design a Modern Council
	A globally competitive, entrepreneurial, inclusive and sustainable economy Thriving innovative business with fair and quality jobs for everyone Open connected and make a positive contribution internationally	Deliver Inclusive Economic Growth (including Community Wealth Building)
	We value, enjoy, protect and enhance our environment	Tackle Climate Change and reach Net Zero emissions by 2045

Actions completed 2024/25

- Increase digital learning, teaching of new working methods and developing the skills of our employees.

Actions overdue

- Deliver a programme of service redesign reviews to embed the digital and community empowerment changes. (50% Complete, due 31st July 2024).

Actions in progress for completion 2025/26

There are no actions scheduled for completion in 2025/26; however, two actions are above 50%:

- Deliver options to balance the Council's budget each year.
- Deliver a programme of service redesign reviews to embed the digital and community empowerment changes.

415,148

Online transactions have increased by 8% in 2024/25.

2023/24 - 384,760, 2022/23 - 347,519



£10m

Savings needed to balance the budget for 2025/26.



181

Apprentice and work experience opportunities in the Council.

Target
(2024/25)
297

The number of online self-service transactions as a proportion of all customer service transactions continues to increase year on year.

62.1%

2023/24

62.3%

2024/25

Target
(2024/25)
71%

Priorities in Action

Local authorities across Scotland are facing significant financial pressures. Despite these challenges, Dundee City Council will work towards delivering services which both best support communities across the city, as well as continuing to remain sustainable. This means making use of service design, and of new technologies and ways of working, while continuing to set a balanced budget. Because this is so important, Designing a Modern Council is one of five key priorities in the Council Plan 2022 – 2027, and employees can help to design a modern council that can deliver services in the most efficient way.

Balancing the budget

City Governance Committee on 28th October 2024 agreed a Budget Strategy and Financial Outlook 2025/26 (Report No 288-2024). This strategy noted the key financial challenges facing the Council but also aimed to provide sufficient resources within services to meet the Council's strategic priorities. This report also outlined the Medium-Term Financial Strategy (Agreed 4 September 2023 by City Governance Committee (Report No 230-2023)), which includes the principles with which the Council's budget is developed.

A budget consultation survey ran for 4 weeks from 29th November to 29th December 2024 where citizens were invited to share their views on a range of specific savings options put forward by officers, either online or by completing a paper form. There was regular promotion of the consultation undertaken during this period to encourage feedback, and there was a total of 3,571 responses to the questionnaire, a 228% increase from 1,088 responses the previous year.

Report No 14-2025 to City Governance Committee on 6 January 2024 outlined the impact of the Local Government Financial Settlement which required the Council to identify £10m of savings to balance the overall budget. The 2025/26 Revenue Budget was approved by City Governance Committee on 27 February 2025 (report 55-2024 refers). This included an 8% increase in Council Tax to help close the budget gap and support Council services. As part of this budget, the Council will invest £500,000 to tackle the Cost-of-Living Crisis, £160,000 for Economic Development and £300,000 to improve neighbourhoods and environments. Work is underway to assess likely deficit for 2025/26, and options will be identified to address this.

Transformation Programme

Delivery of the sixth phase of the transformation programme will continue to support future financial plans. The 2025/26 Revenue Budget outlined that the best-case projected budget gap would require £32.8m of savings to be made by 2027/28 to achieve a balanced budget each year. This is on top of over £171m savings realised since the financial crisis of 2008. The transformation of services will be essential in contributing to these savings.

Areas in which we are redesigning the Council include:

- rationalising property
- digital by design
- redesigning services
- sharing services with other Councils and third sector partners and
- looking at what we pay for and where we can create new income streams.

The Design a Modern Council priority provides the branding for the transformation programme up to 2027. Delivering on the Council Plan requires a more radical redesign of services to meet changing demographics, levels of poverty, community wealth building, community empowerment and embracing modern technology and new ways of working.

Long term service redesign and digital transformation will be ways in which long term transformations will be realised, where services change due to the changing nature of how customers want to engage based on the technological developments taking place. The Council will be looking for where transformation both improves the service and leads to a long-term reduction in the sustainable cost basis for delivering the service. There is a Change Fund to support projects that can deliver improvements and/or deliver financial savings. Developing more applications and ideas for the Change Fund is a key part of the programme. Further detailed updates on key workstreams are:

Property Rationalisations - The Council has achieved a significant reduction in costs for occupied property in recent years, but further transformation will be required in the future to meet budgetary challenges and create a more sustainable property portfolio, modernised and suitable for the needs of the people of Dundee. The Property Asset Management Plan 2025 – 2030 was approved by Fair Work, Economic Growth and Infrastructure Committee on 18th November (Report No 320-2024) and summarises the purpose, performance and plans for the council's non-residential property portfolio.

This includes the leasing of property to external organisations, particularly third sector organisations. Dundee City Council currently leases over 50 properties to third sector organisations, and a key development this year has been the 99-year lease of Riverside Pavilion to Yusuf Youth Initiative (YYI). Dundee House is actively being marketed as office space having previously hosted BT during this year. Balfour Beatty/SSEN have agreed Heads of Terms for floor 1 in Claverhouse following the relocation of Council teams to other Council owned offices.

In addition, operational property is continually evaluated against need. Where it can be shown that the Council no longer requires operational use of property, there are a range of possible outcomes, including demolition. A reduction in revenue cost pressures was realised through the recent demolition programme including the old sawmill at Camperdown Park, Law Nursery, former housing offices at 101 Whitfield Drive, Weigh Bridge and Wash Bay at Marchbanks Depot. Further demolition proposals include MOT buildings at Marchbanks Depot, Contracts Services House Clepington Road, part of old Baldovie Depot Plant and the two high schools at Craigie and Braeview which are being merged and moved into the new East End Community Campus.

Digital by Design - Progress is being made in online self-service transactions. The volume of total online transactions is up 8% over the previous year and up 19% over the previous 2 years. The proportion of transactions complete by customers as self-service has maintained over the previous year, remaining at 62%. The Council continues to expand self-service options, with 31 licence application forms currently being redesigned as self-service forms using Granicus. Of these, 20 are now live, and the remaining are in final testing.

The Parents Portal was launched across all Dundee schools in 2023/24, and uptake of this has increased during 2023/24 with 8,788 Parents and 11,936 young people now registered to use the portal as of March 2025, an increase of 74% and 81% respectively on the previous year. The portal, which can be downloaded as a mobile app, makes it easier for parents and young people to communicate directly with schools especially where approvals and sign-ups are required. A Tenants Portal is also continuing to progress.

The Dundee MyBins App continues to attract new users and inform residents about all Dundee waste & recycling matters. The app can be downloaded, free of charge for both Android and IOS users and has over 11,500 users as of March 2025.

We have made significant strides in our digital initiatives. We have also ensured fibre connectivity to all Dundee schools. A new digital governance process has been established and new project working documentation has been created with efforts currently focused on centralising digital project reporting. Intent has been defined for 17 digital projects at various stages of their lifecycle. A policy for AI use and data storage has been drafted.

To support our users, we have conducted seven workshops and masterclasses, and M365 modules for staff now developed and delivered and will continue to be evaluated to ensure that these meet the needs of our workforce. The Digital Skill Progress Plan is now developed and aligned to Digital Skills Strategy and includes key actions. This will be monitored with ongoing feedback via the Digital Board. Staff who are members of the Council's internal 'Digital Champions' network continue to provide support to each other and colleagues out with this network to enrich digital skills and innovation within the workforce.

We will consult with vendors regarding our business continuity plans, particularly in the area of cyber resilience. We aim to complete SharePoint adoption across the Council and launch workshops to service areas for 'thinking digitally'. Furthermore, we will deliver the Digital Leadership Conference and initiate the project to roll out a Council-wide reporting suite.

Our People

The Council's approach to leading, managing and developing its people is set out in Our People Strategy 2023-28. The core aim of the strategy is that our people's wellbeing will be supported and that they will be valued for what they do in making a difference. Hybrid working has now been rolled out across the council and all employees have the necessary equipment. The induction process ensures that new starts understand how to use their equipment and the software for their role. Digital skills are promoted through the Digital Workplace on One Dundee.

A Best Value Thematic Review report on Dundee City Council's workforce innovation was issued in August 2024, outlining whether the Council is responding to workforce challenges through building capacity, increasing productivity and innovation. The report confirmed that the Council's Strategic Workforce Plan 2023-28 ensures it has a skilled, flexible, high performing, motivated and well managed workforce support the delivery of its strategic objectives, and that detailed service-level workforce data is provided to services to assist with workforce planning. However, this report also outlined that the Council needs to ensure that the Workforce Plan aligns with its service plans and digital strategy. As part of the review, 7 recommendations were agreed and are being implemented and monitored by colleagues in Corporate Services via their service plan:

- Alignment of Strategic Workforce Plan 2023-28 and service plans
- Impact of greater use of digital technology
- Establishment of Digital Leadership Board
- Digital skills survey
- Reliance on casual workers
- Joint working with partners
- Measuring the impact of workforce planning

Increasing opportunities for young people

There has been an increase in the number of graduate apprenticeship new starts from 2 to 5 between 2023/24 and 2024/25. However there have been fewer modern apprenticeship new starts, decreasing from 36 in 2023/24 to 16 in 2024/25. During this period, ERI funding and MA funding has been stopped due to changes in funding criteria.

During the period April 2024 - 31 March 2025, the youth employability service had 181 new young people accessing employability support. During the period 67 young people moved into jobs, 7 into Modern Apprenticeships and 34 into FE/training. This equates to a 59.6% outcome rate. During 2024/25 there has been an ongoing restructuring of the Council's employability service. The team leadership is now in place, and team members have been establishing presence in communities and are heavily involved in the delivery of key actions from Step Change for Young Dundonians programme.

Performance Scorecard

Priority	On Target	Within 5% of Target	Not on Target	Total	Improved or the same as last year (% of total)
Design a Modern Council	0	0	3	3	2 (67%)

Most Improved PI's 	Most Deteriorating PI's 
The number of Council transactions that are digital self-service (order, request, payment)	The total number of opportunities provided to young people (e.g. modern apprenticeships, trainees)
The percentage of customer services customers using self-service options	

Status	Indicator	Yr-2	Yr-1	Latest Figure	Current Year	Year 5 (26/27)	Short Term Trend	Long Term Trend	Notes
		Data	Data	Data	Target	Target			
	The number of Council transactions that are digital self-service (order, request, payment)	347,519	384,760	415,148	440,000	500,000			Number of transactions has increased by 8% between 2023/24 and 2024/25
	The percentage of customer services customers using self-service options	60.8%	62.1%	62.3%	71%	99%			Slight increase over the previous year. Monthly values vary between 60% and 65%

Status	Indicator	Yr-2	Yr-1	Latest Figure	Current Year	Year 5 (26/27)	Short Term Trend	Long Term Trend	Notes
	The total number of opportunities provided to young people (e.g. modern apprenticeships, trainees)	117	199	181	297	297			During this period the youth employability service have been going through a review of employability services, ERI funding and MA funding has been stopped due to changes in funding criteria.

Performance Indicator Key

Status		Short Term Trend		Long Term Trend	
	More than 5% away from Target		Improving		Improving
	Within 5% of target		Maintaining		Maintaining
	On Target		Deteriorating		Deteriorating

Status	Actions in the plan	Progress %	Due Date	Notes	Lead
	Long-Term Financial Strategy to be updated to reflect new Council Plan priorities	100%	31st March 2024	Completed March 2024. A Long-Term forecast for projected budget funding gaps up to and including 2033/34 was presented in the Revenue Budget and Council Tax 2024/25 report to City Governance Committee in February 2024,	CS
	Roll out hybrid working across the Council	100%	1st April 2025	Completed April 2024. Hybrid working has now been rolled out across the council and all employees have the necessary equipment. The review of hybrid working is an action in the Corporate Services Service Plan 2023 to 2027.	CS
	Increase digital learning, teaching of new working methods and developing the skills of our employees	100%	1st April 2024	All M365 modules now developed and delivered. Currently being evaluated. Digital Skill Progress Plan now developed and aligned to Digital Skills Strategy, with key actions. Scrutiny and ongoing feedback via Digital Board.	CS
	Deliver options to balance the Council's budget each year	75%	31st March 2027	Officers provided sufficient options to members to agree a balanced budget for 2025/26, and this was agreed by City Governance on 27 February 2025. Works will now commence to prepare a revenue budget strategy for 2026/27 that will aim to do the same.	CS
	Delivering a programme of service redesign reviews to embed the digital and community empowerment changes	50%	31st July 2024	Following the approval of remits for delivery boards for the main themes of the Transformation Programme, further discussions are required around service design i.e., use of data to identify potential areas for service redesign. An approach is still to be developed and agreed.	CEX

Status	Actions in the plan	Progress %	Due Date	Notes	Lead
	The roll out of a digital transformation programme	25%	31st March 2027	Over the past five months, we have made significant strides in our digital initiatives (see Digital by Design above). We have several key actions planned for the next few months, including consult with vendors regarding our business continuity plans, complete SharePoint adoption across DCC, launch workshops to service areas for 'thinking digitally', and deliver the Digital Leadership Conference.	CS
	Increase the uptake of modern and graduate apprenticeships	25%	31st March 2027	During the period April 2024 - 31 March 2025 the youth employability service had 181 new young people accessing employability support. During the period 67 young people moved into jobs, 7 into Modern Apprenticeships and 34 into FE/training. This equates to a 59.6% outcome rate.	CS

CD-City Development, CEX-Chief Executive Services, CF-Children and Families, CS-Corporate Services, NS-Neighbourhood Services

Action progress symbols and progress percentage explained

	In Progress - Action is progressing well, on target for achieving all objections set in the initiation phase. 20% - The task is defined and agreed by relevant partners/stakeholders. 40% - Necessary tasks planned and implementation in early stages. 60% - Number of key actions achieved/agreed process or improvement taking shape or in place or underway. 80% - Majority of actions achieved/ agreed process or improvement largely in place or underway leading to confidence that the overall action will be delivered in full/on schedule.
	Overdue – Action is still progressing; however, it has exceeded its due date.
	Completed - Action has been completed, and objectives have been achieved.

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