

Kate Forbes, Cabinet Secretary for Finance

Aileen Campbell, Cabinet Secretary for Local Government and Communities

Date

Dear Ms Forbes and Ms Campbell

URGENT -Covid-19 –Local Government Finance

I am a UNISON member and I am writing to seek assurances from the Scottish Government that the £155m Barnett consequential arising from the announcement that an additional £1.6bn would be made available to councils in England to deal with the Covid-19 crisis, are passed to local authorities in Scotland in full.

I share UNISON's concerns about the financial impact of Covid-19 on Local Authorities and the implications for members' safety and future job security.

We are aware that COSLA have also sought assurances from the Scottish Government that the £155m Barnett consequentials are passed to local authorities in Scotland in full. We are very disappointed that to date no such assurance has been received.

We know that pre Covid-19 local authorities were already struggling financially with overall Local Government revenue funding having fallen by 7% in real terms between 2013-14 and 2019-20 (when Scottish Government revenue had fallen by only 2% in the same period) and the proportion of their revenue ring-fenced for Scottish Government priorities having increased to 61%.

The Covid-19 crisis has increased the pressure on local authority budgets through increased charges for PPE and procurement of services at the same time as their other revenue streams like business rates and charges have dried up.

They are now in desperate need for additional financial support from the Scottish Government.

It cannot be right that a Conservative administration at Westminster can see the need for, and pass on additional funds to local authorities in the rest of the UK in full, without any ring-fencing or reduction but an SNP administration prevaricates over whether any additional funding is actually necessary.

At a time when Covid-related deaths in care homes are now out-numbering those in hospitals or at home the scale of the crisis that local authorities are having to deal with and the impact on their resources, should be abundantly clear and we urge you to provide those additional funds to councils as a matter of urgency.

We look forward to hearing from you as soon as possible.