

18 December 2017

Derek MacKay MSP
Cabinet Secretary for Finance & The Constitution
The Scottish Parliament
Edinburgh
EH99 1SP

Dear Mr MacKay

SCOTTISH BUDGET 2018

I am writing in my capacity as Chair of UNISON's Scottish Local Government Committee which represents almost 80,000 members.

I was disappointed to find that, once again, the Scottish Government is cutting our revenue settlement by £153m. I also note that you claim this represents a flat cash revenue settlement and I would request that you provide the details of this, as COSLA claims this statement is factually incorrect.

During your statement you referred to public sector workers – mainly those under Scottish Government control – and teachers (employed by Local Authorities) and failed to acknowledge the hard work of council workers providing essential local services daily. I would be interested to hear from you who you consider to be public sector workers as the Scottish Government's position is unclear.

Some of the workers you did not mention in your statement include:

Home care, early years, waste, social work, housing, parks & grounds, cemetery & cremation, planning, catering, cleaning, classroom assistants, additional support needs, HR, clerical & admin, trading standards, environmental health, criminal justice, chief officers, elected member and family support workers to name but a few.

The lifting of the public sector pay cap and your announcement of the percentage pay rises is welcomed.

I am interested to hear that the Deputy First Minister and Cabinet Secretary for Education and Skills has been involved in pay negotiations not under Scottish Government control by agreeing to fund an additional percentage rise this year for teachers' pay. Whilst you have a seat at the negotiating table you do not fund directly.

During the budget you announced a further allocation would be made by the Scottish Government for teachers' pay for 2018/19. It will come as no surprise to you that this has created some confusion as you stated you could only determine the pay for those under Scottish Government Control and that local government pay is solely a matter for COSLA and Councils.

For the avoidance of doubt teachers are directly employed by local councils and are required to negotiate with their employers through COSLA in the same way as their fellow colleagues. I would therefore argue

that the Scottish Government applies the same approach to ensure that there is adequate funding for all public sector workers.

COSLA had called for additional £545m to be made available prior to the budget just to maintain the current level of services and pay their workers in line with the Scottish Government's announcement.

Council budgets have been under pressure year on year since the beginning of austerity, something that you should recall as you were Leader of Renfrewshire Council at the outset of this long period. The salami slicing of services is now at an end and the announced financial settlement may force some authorities into providing only statutory functions.

The lifting of the Council Tax freeze was welcomed as I believe it is not for central government to interfere in local taxation. I do however understand the difficulties faced by Councils in deciding whether or not to increase the Council Tax as we already see the consequences of reduction in household incomes, attacks on welfare assistance and increased charges for services and goods.

Councils also find themselves in the difficult position of having to decide to increase fees and charges. In our experience this is counterproductive and does not automatically translate into increases in income.

A recent SURVATION report produced for APSE (Association for Public Sector Excellence) states that the public trust local councils to make decisions about their services more than the devolved or UK Governments. I am not surprised by these findings and this is part of the reason for UNISON's call to end ring fencing of funds in the Local Government settlement.

During the debate you challenged the Labour Leader: "When did Labour turn its back on the NHS?". Using your own quote, I would like to ask you when you and the Scottish Government decided to turn your back on Local Government?

The basic requirements in society are a home, good education and youth services, environment and planning, social care and social work services. These are the foundation for a decent society and can ease the pressure on health, police and fire services in the long term.

I am calling for you to revise the announced spending plans by providing the necessary funding required for Local Government.

I will be copying this correspondence to other group leaders in the Scottish Parliament as I understand that you will require the support of one other party to have this budget approved.

Yours sincerely



Mark Ferguson

Chair of UNISON Scotland's Local Government Committee

Cc Willie Rennie MSP
Ruth Davidson MSP
Richard Leonard MSP
Patrick Harvie MSP