Mr Bob Doris

Dear Mr Doris

Further to my appearance before your committee I would like to take up your invitation to provide further information as the Leader of Glasgow City Council.

Scottish Local Government finds itself facing a perfect storm of unprecedented reductions in grant funding, rising cost inflation and massive increases in demand for services.

In Glasgow, this financial year this year and next we have been forced to find a minimum of £130m of savings. That is money we are now unable to invest in roads, schools, social care, our own staff and our local communities.

We strongly believe this situation is unsustainable, but unfortunately we also believe that these budget cuts are likely to continue. However, it is absolutely vital that the committee understands the massive implications further cuts will have on the delivery of public services.

There is no longer any doubt that National Government cuts are being felt hardest at Local Government. This cannot be understated or separated from the Committee’s deliberations.

I’d like to address one of the points you made during the committee which I think illustrates the level of frustration felt in Scottish Local Government.

During the committee it was stated that “for the previous financial year the figure given for Glasgow was £15 million for childcare commitments, of which £9.1 million was spent, which is 60 per cent of the provision.”

The context in which this was offered fundamentally fails to understand the pressures facing Glasgow, the SLGP and other Local Authorities and is part of a worrying trend of simplifying complex and varying local issues into single statements. Glasgow is Scotland’s largest provider of Early Learning and Childcare serving 11,000 children. When the Scottish Government’s target of 600 hours was announced we were already delivering 570 free hours - a provision offered by only one other Local Authority.
We also significantly exceed our statutory obligations by offering considerably more places to two year old children than any other Local Authority and paid all staff a living wage.

It is therefore fundamentally wrong for the committee to draw conclusions by simply comparing spends either between Councils, or on one year of spend in this broad area to the next.

Having already met the commitment in full, any suggestion that additional allocated funds were not being applied to their intended purpose is wholly inaccurate and a poor reflection of the City’s financial commitment to the service.

It is crucial that committee understands this point if it to be effective in its scrutiny of the draft budget and it’s likely impact on Scottish Authorities and cities.

Glasgow has always invested significant amounts of our limited resources not only in expanding the number and flexibility of placements but crucially on the accessibility and affordability of our offer.

So such simple comparisons also fail to take into account the considerable annual subsidy we invest in the £56.7m annual cost of providing our service against the £3.6m we generate in fees.

We share the Government’s ambition of increasing provision to 1140 hours but we are deeply concerned about the lack of detail and planning around this aspiration particularly regarding the investment needed to almost double the level of provision. There are currently no milestones or plan developed by the Government which would allow us to move towards the new target and it will be impossible to move from up to 600 hours to up to 1140 hours overnight. It will require a gradual, planned move supported by robust and long term financial modelling.

We are ready to act and have been working closely with National Government colleagues and have plans to extend further to enable us to support the Government’s ambition, particularly in areas of deprivation where we know the greatest impact will be. However we are increasingly frustrated at the lack of action in favour of more consultation.

The worry for local Councils is that we will again be expected to somehow find the money to top up Central Government promises from reducing budgets delivered in timeframes too short to allow for proper planning.

If as is expected, the budget is a single year budget it will simply not allow Local Government to properly plan, budget, construct and staff the additional nurseries that are undoubtedly needed.

The evidence to the committee was clear that long term financial planning is no longer seen as helpful or prudent, but absolutely critical to Scottish Councils’ ability to provide local services.
Councillor Frank McAveety
Leader of the Council