

Minister for Local Government Empowerment and
Planning
Ministear airson Cumhachdachadh is Dealbhachadh
Riaghaltas Ionadail
Joe FitzPatrick MSP
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Ariane Burgess MSP
Convener, Local Government, Housing and
Planning Committee
The Scottish Parliament
Edinburgh
EH99 1SP

6 November 2023

Dear Ariane,

Local Government, Housing and Planning Committee: Pre-budget scrutiny 2024-25

Thank you for your letter dated 27 October 2023 in regards to the committee's views on the 2024-25 Scottish Budget.

Verity House Agreement/New Deal with Local Government

We collectively recognise that local government plays a vital role in the delivery of sustainable public services that our communities rely upon. Agreeing a New Deal with local government, which provides greater flexibility and empowerment, therefore remains a key priority for the Scottish Government.

The Scottish Government are continuing to work with COSLA to agree a more detailed programme of work, a fiscal framework, and an accountabilities and monitoring framework, to underpin the Verity House Agreement.

Local Government Funding

The Scottish Government acknowledges the fiscal challenges councils, and indeed the entire public sector are currently facing. However, it should be noted that despite a decade of UK Government austerity measures, local government revenue funding is 2.6 per cent higher in real terms than it was in 2013-14 – as confirmed in the recent Accounts Commission report. The Scottish Government has increased the resources available to local government in 2023-24 by more than £793 million, a real terms increase of £376 million or 3 per cent, compared to the 2022-23 Budget figures.

As we set out in this Medium-Term Financial Strategy, we will do all we can within our powers to ensure public finances are on a sustainable path. We will achieve this through our three key pillars – taking tough decisions to prioritise our spending, ensuring a strategic

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approach to tax, and supporting sustainable, inclusive economic growth to generate tax revenues.

Decisions on future local government finance settlements will be the subject of negotiations with COSLA on behalf of all 32 local authorities and announced as part of the outcome of the Scottish Budget on 19 December.

Workforce Planning

Workforce planning is rightly a matter for each individual local authority. Whilst some issues are experienced as Scotland-wide, councils face their own unique set of challenges, requiring tailored solutions rather than homogenous approaches.

With that said, the Scottish Government recognise that workforce shortages in particular areas continue to have a significant impact across Scotland and will undoubtedly make it more challenging for local and national government to achieve the three shared priorities we have committed to in the Verity House Agreement.

The Scottish Government is therefore fully committed to working in partnership with local government to ensure councils are able to tackle workforce challenges in ways that work for them.

As requested in your letter of 27 October, I am pleased to provide the following additional information in relation to joint work between local and national government and other key stakeholders aimed at tackling some of the workforce challenges being experienced across Scotland:

- i) *Environmental Health*
the Environmental Health Policy Co-ordination Group has been set up to bring together expertise within local government, the Scottish Government and Food Standards Scotland to address the low numbers of Environmental Health Officers entering the profession.

Food Standards Scotland has also awarded the Society of Chief Officers of Environmental Health in Scotland (SOCOEHS) £250,000 for the purpose of providing funding to local authorities for the sponsorship of trainee Food Safety Officers in the new qualification pathway to the Higher Certificate in Food Control.

The Scottish Funding Council has also been working with local government to develop the Modern Apprenticeship in Regulatory Services (MA). The MA will allow individuals to train for specialist support roles within the environmental health and trading standards teams of councils. It is expected that the MA will take around two years to complete, with three quarters of the course involving on-the-job training.

The Minister for Public Health and Women's Health also attended the annual congress of the Society of Chief Officers of Environmental Health in Stirling last Friday, 3 November, to discuss the issue of low numbers of Environmental Health Officers entering the profession.

- ii) *Planning*

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The Scottish Government has funded ten bursaries this year to support students undertaking planning courses we are also liaising with the Royal Town Planning Institute on how to move forward with setting up a planning apprenticeship scheme.

The Scottish Government are continuing to work with COSLA, the Royal Town Planning Institute, Head of Planning Scotland the Partners in Planning group to progress the recommendations for the Future Planners Report and secure a more sustainable pipeline of entrants to the profession.

I have also recently written to schools across Scotland to underline the importance of the profession in supporting the delivery of our national priorities and to encourage continued support for high quality education in planning.

Withers' Report

As set out in the 2023/24 Programme for Government, the Scottish Government is committed to reforming our education and skills system. On 28 June 2023 the Scottish Government published the final Purpose and Principles for Post-School Education, Research and Skills alongside the Initial Priorities for implementation.

Through these Initial Priorities, the Scottish Government has already accepted the basis of many of the recommendations made by James Withers in key areas including skills planning, funding, employer engagement and post-school pathways.

We have been clear where we accept the general direction of travel, however some recommendations require further consideration and work with stakeholders on the practicalities of implementing reform before we commit to a set of actions.

We want to take forward reform of our lifelong education and skills system however, so please be assured that we won't shy away from decisions which will deliver better services for individuals and employers.

Council Tax

In your letter you refer to the decision to freeze Council Tax for 2024-25. This decision is aimed at providing much needed financial relief, particularly to vulnerable households. In the current economic environment, with household bills rising, this freeze will give some certainty to households for next year.

I appreciate that this is an important matter, and Ministers will offer any information or assistance to the committee to facilitate their exploration of the Council Tax freeze at the evidence scheduled for 14 November. However, I must state that we have committed to working with COSLA on the detail of implementation over the coming weeks, and ultimately the funding decisions will be made as part of the Scottish Budget for 2024-25.

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Visitor Levy

The Visitor Levy Bill is a significant step towards the Scottish Government's ambition of fiscally empowering local government and strengthening local democracy. The power for a local authority to introduce a visitor levy on overnight accommodation is a long term ask from local government, and will provide councils with a discretionary power they can choose to use after consultation with local communities and businesses.

In addition to this new power, we recognise the further request from COSLA to have a cruise ship levy included in the Bill. Joint working with COSLA on exploring the potential of such a levy is currently underway and in recognition of the progress made, we will seek to give local authorities the power to create a cruise ship levy. If the necessary policy work and consultation is completed in time, and Parliament agrees, we will also seek to amend the Bill to include a cruise ship levy.

Conclusion

The points I have not specifically addressed are matters for local government and COSLA will be able to provide more detail on them. I hope what I have been able to set out in this letter has been useful.



JOE FITZPATRICK

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