

Written submission from COSLA, 6 October 2026

Pre-budget scrutiny 2027-28

Europe, External Affairs and Culture Committee

1. Introduction

We welcome the opportunity to present to the Europe, External Affairs and Culture Committee as part of their pre-budget scrutiny for 2027-28 and the Committee's engagement with stakeholders to help inform its recommendations to the Scottish Government on spending proposals.

We would urge members of the Committee to review our main pre-budget scrutiny submission¹ to the Finance and Public Administration Committee, submitted jointly with SOLACE and CIPFA Directors of Finance Section, which provides detail on the context of Local Government finance, the role Local Government can play in public service reform, and the benefit of Local Government services to the wider public sector.

2. Key messages from last year's pre-budget scrutiny submission

As part of the 2026-27 pre-budget scrutiny, COSLA, SOLACE and CIPFA Directors of Finance jointly submitted a response to the call for views from the CEEAC Committee², the key messages of which are still relevant this year, and included:

- Councils are being put in a position where they are required to prioritise statutory duties and crisis response, non-statutory but high-value services such as culture, leisure, libraries, museums and galleries are disproportionately exposed to reductions.
- The consequences are increasingly visible through reduced opening hours, increased charges, reduced grants and programming, staff reductions, and growing risks around the closure or deterioration of local cultural and leisure venues.
- Many councils deliver culture and leisure through ALEOs, which face similar pressures from reduced management fees, energy and operating costs, income volatility and limited reserves.
- Increases to national culture budgets do not automatically support the local authority and ALEO infrastructure on which much of Scotland's cultural participation depends.

¹ [Response 575133042 to Pre-budget scrutiny 2027-28: the affordability and sustainability of Scotland's tax and spending plans - Scottish Parliament - Citizen Space](#)

² [Response 659684093 to Pre-Budget scrutiny 2026-27: funding for culture - Scottish Parliament - Citizen Space](#)

- The culture and leisure estate includes energy-intensive and ageing assets, including swimming pools, leisure centres, museums, galleries and listed buildings, where maintenance and decarbonisation costs are rising while capital funding remains constrained.

3. Wider Budget and Local Government Finance Context

Local Government is Scotland's place-based delivery infrastructure for national outcomes, including culture, community wellbeing and local economic growth. The sustainability of cultural services cannot be separated from the wider context of council finances. Councils face a budget gap of £529m in 2026-27 and a £1bn cumulative gap from 2025-26 to 2027-28.³ This follows cumulative savings and efficiencies of around £5bn since 2010-11. At the same time, demand pressures, statutory responsibilities and nationally directed commitments continue to rise.

The 2026 Scottish Spending Review projects a reduction in the Local Government portfolio's share of the Scottish Budget, from 26.4% to 24.8% (£472m reduction) and does not provide the certainty, flexibility or investment required for medium-term planning⁴. Around half of Local Government funding is spent on education and around a quarter on social care, leaving only a quarter for all other services, including culture, libraries, museums, heritage, leisure, community learning and local place-based activity. As fiscal pressure intensifies, these discretionary and preventative services are increasingly exposed.

Our central message is that recommendations on culture spending should be considered in the context of the wider Local Government settlement. A fair, flexible and sustainable settlement is essential if councils are to continue supporting access to culture, protecting local cultural assets, and enabling communities to benefit from cultural participation.

4. Culture as Part of Local Public Service Infrastructure

Cultural services are not peripheral to Local Government. They form part of the local public service infrastructure through which councils support community wellbeing, learning, social connection, local identity, tourism, town centre vitality and economic development. Libraries, museums, galleries, theatres, community centres, festivals, heritage assets and local cultural partnerships all contribute to wider national outcomes.

However, as captured by the [2024 review of Culture and Leisure Services in Scotland](#), sustained pressure on core council budgets means that cultural provision is increasingly vulnerable. Councils are now in a position where they must prioritise statutory duties and crisis response, services that provide preventative benefit, community participation and local economic value are there required to be reduced,

³ [Supplement to the Financial bulletin 2024/25: The 2026/27 Scottish budget](#)

⁴ [FINAL-2026-27-What-does-the-Budget-mean-for-Councils.pdf](#)

reprioritised or made more reliant on short-term funding in the context of broader financial sustainability. This weakens the cultural ecosystem and reduces the ability of culture to contribute to prevention, inclusion and growth.

We worked closely with the Scottish Libraries and Information Council on the work of 'Public Libraries: Beyond Adequate', with COSLA's Community Wellbeing Spokesperson chairing the advisory group. COSLA's Community Wellbeing Board has held an initial discussion on its recommendations which was broadly supportive, but noted the financial constraints local authorities are working within. We look forward to further discussions with our partners in culture, including the Scottish Government on the next steps with the recommendations.

5. Prevention, Communities and Wellbeing

Our main FPAC submission highlights the importance of Local Government services to the wider public sector and the preventative nature of our services where investment can unlock efficiency across health, community safety and economic development.

Culture contributes directly to this preventative impact. Cultural participation, access to local venues, community learning, libraries and sports facilities support improved outcomes across a range of areas including tackling poverty, supporting improved attainment, reducing isolation, improving confidence and strengthening community cohesion. These benefits align with the wider shift towards prevention set out in public service reform and the Population Health Framework.

The importance of a more preventative approach to public services has been exemplified through recent Public Service Reform commitments and the Programme for Government, and COSLA and Local Government support the ambition of a more preventative model of service delivery to reduce greater, more costly demand in future. However, rhetorical commitments must materialise in spending commitments and we have made it clear in our FPAC submission that Local Government services embody prevention. Cultural services are no exception and have clear, demonstrable primary prevention qualities.

The difficulty lies with where the impact is realised. In financial terms, the preventative impact of Local Government services is realised across other portfolios, mainly Health. Any approach to preventative budgeting should therefore recognise the whole-system value of Local Government and enable funding to flow to the services and places where impact is greatest, from where the impact is realised.

6. Capital Investment, Cultural Assets and Place

Local Government is responsible for a large public estate, including many of the cultural and community assets that enable participation. A flat cash capital settlement in 2026-27 placed pressure on councils' ability to maintain, renew, decarbonise and adapt these assets. Deterioration of local cultural infrastructure increases future

liabilities, reduces community access and limits the ability of cultural services to support regeneration and inclusive growth.

Capital investment through Local Government should therefore be prioritised for place-based regeneration, town centre renewal, cultural and community infrastructure, net zero, and regional economic development.

7. Funding Certainty, Flexibility and Local Decision-Making

Short-term, fragmented and ring-fenced funding can limit councils' ability to plan cultural provision strategically. Meaningful multi-year settlements, increased flexibility and greater local fiscal autonomy would allow councils to make decisions that reflect local cultural needs, assets, audiences and opportunities. This is consistent with the Charter of Local Self-Government and the Verity House Agreement, which emphasise subsidiarity, democratic local accountability and adequate financial resources.

National cultural policy and spending decisions should therefore avoid treating culture as a stand-alone portfolio issue. The sector depends on the wider local public service system councils provide venues, assets, staff, partnerships, local grants, community reach and strategic leadership. If Local Government is underfunded, the culture sector's local foundations are weakened.

8. Public Service Reform

COSLA have agreed to engage constructively in the Scottish Government's proposed three-month dialogue on public service reform, but have been clear that participation must not be mistaken for agreement to any predetermined structure or transfer of responsibilities. We have made it clear that the reform of public services, including cultural services, will only succeed if it is rooted in communities, and we will not support plans that seek to dilute local democracy or remove accountability.