

Parliamentary Bureau – Request to appoint an adviser

Local Government, Housing and Planning Committee

Background

1. At its meeting on 18 June 2024, the Local Government, Housing and Planning Committee agreed that its pre-budget scrutiny for 2025-26 would focus on the sustainability of local government finances with a particular focus on the levels of reserves held by councils, both allocated and unallocated.
2. The Committee recently considered this topic in a public evidence session with the Accounts Commission.¹ Given the degree of knowledge about the internal workings of local authority finance needed to facilitate such scrutiny, the Committee agreed that it would be helpful to appoint an adviser to assist with its pre-budget scrutiny.

Sustainability of Local Government Finances

3. During evidence, the Accounts Commission noted that for councils, “the financial gaps are being funded principally by reducing reserves and using surpluses” but cautioned that this would not be sustainable over the longer term as “once reserves are used up, they will not be there for future purposes.” The Accounts Commission further noted that in “2022-23, 37 per cent of the bridging actions for the budget gaps were recurring savings; 34 per cent was the use of reserves; increases in council tax were 17 per cent; and 12 per cent was via various other methods.” The Accounts Commission went on to describe the position around reserves as being “very complicated” and confirmed that it expected to call for greater clarity in the future “including what is uncommitted and how much is committed for what and when”.
4. The Committee is aware that individual councils have varying levels of reserves and is keen to assess the implications of this for their financial sustainability over the medium to longer-term.

Appointment of adviser

5. The Committee agreed the specification set out below.

Adviser remit

6. “To support the Local Government, Housing and Planning Committee, in its pre-budget scrutiny for 2025-26 considering the sustainability of local government finances with a particular focus on levels of reserves, both allocated and unallocated.”

¹ [Local Government, Housing and Planning Committee 12th Meeting, 2024 | Scottish Parliament Website](#)

Adviser duties

7. It is expected the main adviser duties would be to—

- Work alongside SPICe and the clerking team to advise on the committee's approach to scrutiny of the financial sustainability of local government finances;
- Provide advice about how the ways in which councils manage reserves impacts their financial sustainability and the delivery of services and outcomes;
- Alongside SPICe, provide advice about calls for evidence, possible witnesses, draft lines of questioning and the analysis of evidence;
- Attend committee meetings to provide background briefings ahead of relevant evidence sessions or consideration of draft reports and/or correspondence;
- Assist in the drafting of any reports or correspondence published in relation to the Committee's scrutiny of local government finances;
- Contribute to SPICe Briefings or blog posts on related issues.

Skills/abilities

8. Detailed knowledge of local government finance and reporting requirements, policy, guidance and law in Scotland is required. Candidates should also have a keen understanding of the interlinkages between the different spheres of government and the impact of financial decisions on the delivery of agreed services and outcomes for local residents. A high level of analytical skills, good written and oral communication skills, the ability to work to tight deadlines, and an awareness of how to work effectively and appropriately in the political environment of the Parliament, are also required.

Experience

9. Experience of working in local government finance in Scotland is essential whilst experience of working with politicians is highly desirable.

Knowledge

10. An expert understanding of financial decision making in local authorities is required, as is knowledge of the annual reporting and auditing process. Although focussing on the issue of council reserves, the Committee is also interested in local authority borrowing, capital investment, the use of PPP and the relationship between local authorities and the Scottish Government.

Conditions of Appointment

11. The adviser should not, during the course of this contract, undertake any other contract that may produce, in the sole opinion of the Committee, a conflict of interest in relation to the advisory appointment. The opinion of the Committee will be final.

Time commitment

12. It is anticipated that the appointment would be for a relatively short period from September 2024 to mid-January 2025. The bulk of the pre-budget work is expected to take place in September and October and the adviser would then be

expected to contribute towards analysis of the Scottish Government response and relevant parts of its budget documentation for 2025-26 when published. It is expected that the adviser would be required to work, on average, four days per month with the anticipated total number of days being around a dozen and no more than 15 at most.

Decision

13. The Bureau is invited to approve the appointment of an adviser to assist the Local Government, Housing and Planning Committee in its pre-budget scrutiny.

Local Government, Housing and Planning Committee

June 2024