Deputy First Minister and Cabinet Secretary for Finance Shona Robison MSP



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Kenneth Gibson MSP, Convener Finance and Public Administration Committee

Ariane Burgess MSP, Convener Local Government, Housing and Planning Committee

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Dear Kenneth and Ariane

As you will be aware, local government pay negotiations are rightly between COSLA, as the representative of local government employers, local government, and the Trade Unions representing the workforce.

The Scottish Government has no direct role in those negotiations and the recently signed Verity House Agreement contains an explicit commitment to respect the existing negotiating arrangements for pay.

Yesterday we were advised by COSLA that, as part of their active negotiations with the trade unions, a new offer has been made in an effort to seek a resolution to current disputes and avert industrial action. The details of the offer are now publicly available.

In 2023/24 the offer from COSLA has been supported by Scottish Government funding of £155m, which will be baselined in future years. Determining affordability is a key consideration for Councils and COSLA sought Scottish Government support for the higher recurring cost, compared to the in-year cost, in order to make an improved offer.

The Scottish Government is committed to working in partnership with local government and therefore, subject to a deal being reached, we have provided assurances that we would work with COSLA to provide the additional £94m that would be necessary in 2024/25. Clearly, all final decisions on the local government settlement will be taken at the time of the Scottish Budget.

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In keeping with the Verity House Agreement the Scottish Government has already commenced early and constructive pre-budget engagement with COSLA which will continue to inform those decisions.

SHONA ROBISON

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