

Tim McKay Interim Deputy Chair Accounts Commission By email only Local Government, Housing and Planning Committee
The Scottish Parliament
Edinburgh
EH99 1SP

Email: localgov.committee@parliament.scot

30 June 2023

Dear Tim,

Thank you to you and your colleagues for giving evidence to the Committee on 13 June in respect of the Local Government Overview 2023. The Committee found it to be a productive and informative discussion and looks forward to continuing to engage with the Accounts Commission in the future.

The Committee notes that the overview recommends that the Scottish Government "needs to provide more detailed financial information (eg, breakdown of type of funding and individual council allocations) to support councils longer-term financial planning."

We had a helpful discussion during the meeting about some of the types of financial information the Accounts Commission would like to see provided to local authorities, including longer-term financial horizons and "a transparent funding model so that councils know not only what they will get but the basis on which funding is calculated so that they are able to plan ahead." We also note your colleagues' comments that the Resource Spending Review "did not provide sufficient information for councils to know how much they were getting and what they could do with it. It is a step forward, but a bit more detail is needed to allow councils to, as I described, look forward and invest to save" and that the Medium-Term Financial Strategy "operates at a level that is above that which would be required to give councils confidence about different policy commitment areas and levels of funding."

The Committee intends to consider the New Deal for Local Government when it is published, including a fiscal framework for local government. As such, we would be grateful if you could provide further information in writing about exactly what detailed financial information should be provided to local authorities and why, to help inform future work in this area.

I look forward to your response.

Yours sincerely,

Ariane Burgess Convener, Local Government, Housing and Planning Committee