

PE1747/B

Scottish Government submission of 5 November 2019

It may be helpful for the Committee and the Petitioner if I firstly set out the context of the way in which funding is provided to local authorities. The Scottish Government's policy on local authorities' spending is to allow them the financial freedom to operate independently. As such, the vast majority of the revenue funding is provided by means of a block grant. It is the responsibility of individual local authorities to manage their own budgets and to allocate the total financial resources available to them, on the basis of local needs and priorities, having first fulfilled their statutory obligations and the jointly agreed set of national and local priorities.

When the 2019-20 local government finance settlement was set, excluding Health, the Scottish Government's resource budget was 7.8% lower in real terms compared to 2013-14. Despite this cut we have continued to ensure our partners in local government receive a fair funding settlement, in 2019-20 we are delivering a funding package of £11.2 billion for local authorities, a real terms increase of £310 million or 2.9 per cent for essential public services in Scotland.

The Scottish Government's 2019-20 Budget will provide local government with an additional £298.5 million resource funding for day to day services and an increase of £207.8 million capital funding in 2019-20. As well as this funding increase councils had the flexibility to increase council tax by up to 3 per cent in real terms. Taken together with councils' actual council tax increases they will have access to an additional £602 million (5.7 per cent) in 2019-20 compared with 2018-19.

Local Government Financial Statistics for 2017-18 showed that local authorities spent £5.22 billion on education in Scotland. This has increased from £5.07 billion in 2016-17 - a 1.0% increase in real terms and 3.0% in cash terms. Of that, £628 million was spent on additional support for learning – increasing from £610 million in 2016-17 – a 0.9% increase in real terms and 2.9% in cash terms.

In addition, the Scottish Government continues to provide £11.6 million per annum of funding to support provision for children and young people with additional support needs.

Programme for Government

Building on the work undertaken in the last year as part of the 2018 Programme for Government, we continue to take action to support further implementation of additional support for learning. We will invest an additional £15 million this year to improve the experiences of children who need additional support and their families. We are engaging with CoSLA to agree how this commitment will be implemented across Scotland to build capacity within education authorities and schools to respond more effectively to the individual needs of children and young people; and enhance learning outcomes to ensure young people reach their future potential.

We have also announced plans to undertake an independently chaired review on the implementation of additional support for learning, as well as a review of co-ordinated

support plans, with a view to evidencing areas for improvement in children and young people's and their families experiences.

These additional commitments will further enhance support for implementation of additional support for learning, and I hope would reassure the Committee and the Petitioner of our continued support for implementation, including the provision of financial support.