



West Lothian
Council

Chief Executive Office

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Our Ref: CEO/MC
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Private & Confidential
Derek MacKay MSP
Cabinet Secretary for Finance, Economy and Fair
Work
T3.21
The Scottish Parliament
Edinburgh
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17 January 2019

Dear Cabinet Secretary

SCOTTISH DRAFT BUDGET 2019/20 AND LOCAL GOVERNMENT FINANCIAL SETTLEMENT 2019/20

West Lothian Council Executive agreed on 15 January 2019 that I should write to you asking that the Scottish Government gives proper recognition to local authorities by providing sufficient revenue grant support in 2019/20.

The draft local government settlement for 2019/20 sets out a cash increase; however the core local government settlement will decrease by 3.4 per cent in real terms. This reduction is calculated after allowing for new specific grants, which are earmarked for the delivery of Scottish Government priorities and the return of £150 million in general capital grant which was reprofiled from the 2016/17 local government finance settlement. Although total funding is increasing, if the ringfenced funding is deducted the actual movement is a reduction of £245.2 million. The increased use of ringfenced funding for national initiatives and priorities means that the total resources available to support existing local service delivery is becoming more constrained each year.

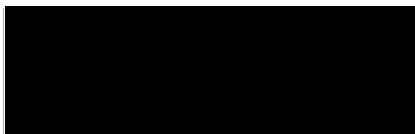
West Lothian Council has made savings of over £92 million over the ten year period 2008 to 2018, which equates to almost £1,200 per household, as a result of government grant funding being insufficient to meet estimated growth in council expenditure. In addition to this, savings of £65 million have had to be identified for the period 2018/19 to 2022/23 and indications from the draft Scottish Budget 2019/20 are that further savings will be required. Insufficient funding will have a negative impact on local services and there will also be further reductions in staffing numbers.

I attach a copy of the report presented to the Council Executive on the draft Scottish Budget 2019/20 and the Local Government Financial Settlement 2019, along with the motion agreed by the Council Executive.



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Yours sincerely



Graham Hope
Chief Executive