



Briefing 16/42 October 2016

Scottish Government's Local Government and Communities Committee - Call for evidence (Local Government budget and Housing supply budget)

To: All Chief Executives, Main Contacts and APSE Contacts in Scotland

For information only to England, Northern Ireland and Wales

Key Issues:

The purpose of this briefing is to inform our membership of a call for evidence by the Scottish Government's Local Government and Communities Committee on local government and housing supply budgets.

Responses should be submitted no later than 24 October 2016 to LGCCCommittee@parliament.scot.

Link to the consultation:

<http://www.parliament.scot/parliamentarybusiness/CurrentCommittees/101084.aspx>

1.0 Introduction

The Scottish Government has announced their intention to publish the 2017/18 draft budget later in the year, and is looking for written evidence on the local government and housing supply budgets. Responses will be used to inform evidence taken orally by other stakeholders and from Scottish Government.

The call for evidence notes that "local government funding from the Scottish Government fell by around 10% in real terms since its peak in 2009/10". Although APSE's own research 'Sustainable local government finance and liveable local areas – can we survive to 2020?' identifies the drop for frontline services in Scotland as (excluding public health, education and social security) between 2010 and 2015 at 24%. The call for evidence also noted that "local authorities are preparing for further real terms reductions in their resources".

The consultation questions can be found on the next page.

2.0 Consultation Questions

Local Government Budget	
1	We want to hear your views on the impact of budget reductions to date on local services
2	We want to hear your views on the extent to which local authority spending decisions prioritise funding for policies that are likely to reduce inequalities
3	We therefore invite written evidence on how General Fund Balances are used by local authorities and in particular the extent to which the General Fund Reserves are being used to offset savings in the short to medium term
4	What are your views on the range of local authority activities that should be considered 'Local Government Budget' as compared with funding that is provided elsewhere but which may support local government activities and outcomes
Housing Supply Budget	
5	<p>In particular we want to hear your views on:</p> <p>How well the centrally managed funding programmes are managed, what outcomes they deliver and do they represent value for money?</p> <p>To what extent are the innovative funding packages leading to a change in the way affordable housing is being delivered (information on innovative financing is available on the Scottish Government website at this link)</p> <p>The extent to which the centrally managed funds support development of the appropriate mix of affordable housing to meet housing needs (such as mid-market rent as compared with social rent or private rent)</p>
6	To what extent do the Resource Planning Assumption and the Strategic Local Planning Agreements processes effectively enable local housing needs to be prioritised and resourced?
7	We seek written responses on whether the increased subsidy levels will support new housing developments; and in particular whether the flexibility in subsidies will improve the provision of housing for older people or for people with particular needs
8	Do you have any other comments to make about the outcomes the Scottish Government seeks from its Housing Supply Budget and how it delivers those outcomes?

3.0 APSE Comment

APSE welcomes the release of a call for evidence on the local government and housing supply budgets, and encourages our membership to respond so that the Committee can reflect upon the experience of delivering local government services in 2016 and meeting the target of 50,000 affordable homes by March 2021, and use this information to inform their questioning of stakeholders and Scottish Government in the near future.

As mentioned previously, APSE's report 'Sustainable local government finance and liveable local areas' found that local government spending in Scotland fell by 24%, after inflation, between 2010 and 2015. Whilst our members have dealt admirably with dwindling funds to date, with a further £350m revenue and £150m capital cut from budgets in 2016, it is important that the Committee is aware of the true impact this is having on local services.

APSE invites members to submit a copy of their written responses to Louise Melville at Lmelville@apse.org.uk ahead of the closing date to allow APSE to submit our own response on behalf of our membership.

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