

Briefing for Leaders

Settlement 2016/17

16 December 2015

COSLA officers have been provided with a briefing ahead of the budget announcement at 2.40pm today. The following information will be presented in a formal letter to all Leaders later today and is being presented as an overall package.

2015/16

Teacher Numbers

As Leaders will be aware, the census for teacher numbers was published last week. A number of councils did not meet their targets. The Government will allow all councils to retain their share of the £41m (the previously identified sanction). The £10m retained as an incentive for those councils who did meet the target will be distributed to all councils who met their teacher number target and pupil teacher ratio.

2016/17

1. Revenue : Cash cut of £350m

Although the figure previously proposed was around £500m, we understand that the Government will introduce a number of changes around business rates which have enabled the overall funding gap to be reduced and therefore the movement from £500m to £350m.

2. Health and Social Care : £250m going into partnerships for social care.

It is our understanding that these monies will be to support reform and that local government will not be allowed to access these resources to offset their own social care budgets.

3. Teacher numbers : A return to a national deal for maintaining teacher numbers at the 2015/16 levels

4. Council Tax freeze : to remain in place for 9th consecutive year

5. Capital : No reduction in our guaranteed share. Proposal to reprofile £150m.

£150m will be removed from the 2016/17 budget and £150m would be added back in to capital budgets in the next spending review covering the period 2017/18 to 2019/2020.

In exchange for this, the agreement that we currently have our retaining our share of just over 26% of capital resources in Scotland due to expire in 2018/19 will be extended to 2019/2020.