

Local Government Settlement 2021/22



#BUDGETREALITY

Based on information available on 28 January 2021

£ Local Government core budget

Revenue core budget: £75m (0.7%) increase

Capital core budget: No increase

REVENUE for 2021/22

Revenue announced: £11,003m

Cash increase presented as: £335m
(compared to 2020/21 base of £10,668m*)

Scottish Government commitments: £260m

Increase to Revenue budget: £75m (£335m - £260m)

*base is pre-COVID circular 2/2020, 10 March 2020

Scottish Government commitments (existing + announced on 28th January)

Early Learning and Childcare (1140)	£59m
Carers Act 2016	£28.5m
Living Wage in Social Care uplift	£34m*
Uprating of free personal and nursing care payments	£10.1m*
Additional investment in Community Justice Services	£4m
Community Mental Health and Wellbeing supports and services	£15m
Specific grant support for Inter-Island Ferries	£7.7m
Additional funding for Discretionary Housing payment	£11.3m
Compensation for councils who choose to freeze their council tax at 2020-21 levels	£90m
Total of Scottish Government commitments	£260m

*COSLA has not yet had the opportunity to work through the calculations behind these figures.

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CAPITAL for 2021/22

Capital announced:	£617m
Cash increase presented as:	£10m (compared to 20/21 base of £607m*)
Scottish Government commitments:	£10m
Increase to capital budget:	£0

*Scottish Gvt presented £778m capital in Circular but this included £121m for Early Learning and £50m for Heat Network early adopters so were excluded from base

Scottish Government commitments

Flooding	£10m
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COSLA asks in “[*Respect our communities: protect our funding*](#)”

For CORE SETTLEMENT

COSLA asked for:	£697m additional funding
Scottish Government announced:	£335m
Revenue shortfall against COSLA ask:	£362m

COSLA asked for:	£30m additional funding
Scottish Government announced:	£10m
Capital shortfall against COSLA ask:	£20m

For COVID IN 2021/22 (non-recurring)

COSLA asked for:	£770m additional funding*
Scottish Government announced:	£259m flexible funding
COVID shortfall against COSLA ask:	£511m

*based on COVID costs for 20/21