

From COSLA Resources Spokesperson, Cllr Ricky Bell



16 January 2026

Shona Robison MSP  
Cabinet Secretary for Finance and Local Government  
Scottish Government  
St Andrews House  
EDINBURGH  
EH1 3DG

— Via Email: [CabSecFLG@gov.scot](mailto:CabSecFLG@gov.scot)

Dear Shona,

Firstly, I want to thank you for engagement on the budget to date including the meeting with our President and Vice President on 14 January which I was unable to attend. This meeting was a welcome opportunity to explore elements of the Budget in more detail.

COSLA Leaders have since met to discuss the 2026/27 Scottish Budget and Local Government Settlement. Our Leaders agreed that this year's settlement is *a very poor settlement for local government which fails to address the dire financial situation of local government*. Further, it was noted that the settlement does not offer the urgent financial support required for social care and social work.

COSLA made a clear and urgent ask for significant additional investment of £750m to protect and strengthen social care. The Budget fails to deliver this. Leaders also had urgent concerns about the continued underfunding of the Real Living Wage in Adult Social Care as well as in Children's Social Care and Early Learning and Childcare.

Whilst Leaders welcomed the increase in funding for the Affordable Housing Supply Programme, they were clear that the capital funding position for Local Government is becoming increasingly unsustainable, threatening councils' ability to invest in vital infrastructure and community assets.

Leaders also expressed significant concern about the medium-term outlook set out in the Spending Review, which suggests continued deprioritisation of Local Government and a further real-terms cut over the coming years. Although we understand this position may improve, local authorities must set planning assumptions to inform service design and delivery over the medium-term based on the information that is available. Local authorities are therefore in the position where plans will need to be developed to manage a flat cash position, which entails significant real terms reductions and therefore reductions in services and jobs.

Leaders supported the introduction of additional council tax bands as an interim measure towards fundamental reform, emphasising that any changes must be taken forward in close cooperation with COSLA and Local Government. Leaders also welcome the forthcoming legislation to remove the cap on council tax premium for second and empty homes as a positive step in providing councils with greater local flexibility.

It remains vital that Local Government is sufficiently funded to continue delivering the essential services that communities rely on daily. Leaders have asked for an urgent meeting between Group Leaders, yourself and other relevant ministers to discuss the Settlement in light of the concerns highlighted in this letter. COSLA officers will be happy to liaise with your officials to set this up.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ricky Bell'. The signature is written in a cursive, flowing style.

Councillor Ricky Bell  
**COSLA Resources Spokesperson**