

£100m black hole in council funding to fight Covid-19 revealed

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Local councils are facing a £100m black hole in their fight against coronavirus according to the latest analysis provided by Cosla.

The document, entitled 'Additional costs faced by local government during Covid-19' details that, from March to the end of June 2020, local councils will be out of pocket to the tune of just over £250 million.

In another startling u-turn the SNP has now accepted calls from Cosla and the Scottish Conservatives and agreed to let councils themselves disseminate the £155m already promised, leaving councils with an eye-watering £100m to finance right now.

At the Local Government Committee meeting this morning, Graham Simpson, Scottish Conservative shadow local government secretary asked Aileen Campbell, the Communities Secretary, if she would plug this funding gap – she failed to commit to any increased funding for local government.

This figure could actually be significantly larger as the costs provided do not cover any health and social care costs which are delegated to the Health and Social Care Partnership.

Nor do they cover the significant cost pressures likely to face local councils as lockdown continues, or restrictions are lifted resulting in services such as education having to be reconfigured.

The Scottish Conservatives have once again called on the Scottish Government to fund local councils properly through the significant Barnett consequential they have received from the UK government.

Graham Simpson, Scottish Conservative shadow local government and communities secretary said:

“Local government finances are facing costs of £250m due to the Covid crisis, £100m of which they simply do not have.

“The SNP has been extremely quick in placing significant burdens on our local administrations.

“Despite this, the Communities Secretary completely failed to give any commitment to giving our local councils the money that they need.

“Thankfully the SNP has performed yet another u-turn and has now agreed that councils will divvy up the previous funding themselves.

“If the SNP doesn’t want another ‘storm in a teacup’ they must now finance this £100m black hole and prepare to support local councils further.

“Local councils are at the front lines battling this virus on behalf of all of us, they shouldn’t have to fight so hard for essential funding.”