<u>Councils forced to dig even deeper</u> into their reserves

- Home
- All News
- Councils forced to dig even deeper into their reserves

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Local authorities have been forced to dig even deeper into their cash reserves in the last year, just to fund day-to-day services.

A Scottish Government report has revealed that, in 2017/18, councils spent £126 million from their respective rainy day funds.

That's a significant increase from the previous year, when £79 million worth of reserves were used.

The number of local authorities resorting to these measures has also increased over that 12-month period, from 19 to 24.

This week's official paper predicted councils would need to call on an additional £113 million worth of reserves during this current year to stay on an even keel.

The Scottish Conservatives said local authorities were being forced to this "last resort" measure by SNP government funding cuts.

It also means council reserves are dwindling, with auditors saying by the end of the year the total amount will have dropped to under £1 billion among 32 councils.

Across the country, some councils are dipping into their savings far more than others.

Last year, Aberdeenshire spent 60 per cent of their reserves, with Midlothian using 52 per cent.

Others didn't use any at all.

If the general trend continues, reserves across all 32 of Scotland's local authorities will be wiped out within 14 years.

Scottish Conservative local government spokesman Alexander Stewart said:

"Councils are increasingly dipping into their rainy day fund, and that's a direct consequence of SNP budget cuts.

"It's not like these reserves are being used for landmark projects, it's a last resort to keep day-to-day services going.

"It's not something that can continue — mathematically this option will disappear in little more than a decade if current trends continue.

"Under an SNP government, the financial wellbeing of Scotland's 32 local authorities has deteriorated alarmingly.

"What's worse is that, while these reserves are being used, services only appear to be getting worse."