

UNISON's Plug the Gap in Local Government finance campaign**Report by Kevin Anderson, Executive Director - Place****Report for decision.****1 Recommendations**

Council is asked to consider the submission received from UNISON Midlothian, appended to this report, and determine whether it wishes to support the trade union's fair funding campaign for local government.

2 Purpose of Report/Executive Summary

The purpose of the report is to provide elected members with awareness of the campaign UNISON is pursuing, which has requested Council support, and decide what action it will take.

Date: 6 November 2020**Report Contact:** Kevin Anderson, Executive Director - Place**email:** kevin.anderson@midlothian.gov.uk**tel:** 0131 271 3102

3 Background

Unison Midlothian have provided a submission where they have requested support from Midlothian Council in terms of the financial implications and impact resulting from the Covid – 19 pandemic response, the potential effects of Brexit from the UK withdrawal from the European Union and also the funding settlement from Scottish Government in 2021/22 for local government generally.

4 Report Implications (Resource, Digital and Risk)

4.1 Resource

In March 2020 Audit Scotland drew attention to a specific funding challenge within the national report, "Early Learning and Childcare Follow up" relating to the rollout of additional funded childcare hours. Due to a decision to base funding allocations on 2014 population figures the funding that Midlothian Council will receive is 24% less that required due to the rapid growth in early years population.

<https://www.audit-scotland.gov.uk/report/early-learning-and-childcare-follow-up>

4.2 Digital

There are no digital implications related to this report.

4.3 Risk

Not applicable

4.4 Ensuring Equalities (if required a separate IIA must be completed)

Not applicable

4.4 Additional Report Implications

APPENDIX A – Report Implications

A.1 Key Priorities within the Single Midlothian Plan

Not applicable

A.2 Key Drivers for Change

Key drivers addressed in this report:

- ☐ Holistic Working
- ☐ Modern
- ☐ Sustainable
- ☐ Transformational
- ☐ Preventative
- ☐ Asset-based
- ☐ Continuous Improvement

A.3 Key Delivery Streams

Key delivery streams addressed in this report:

- ☐ One Council Working with you, for you
- ☐ Preventative and Sustainable
- ☐ Efficient and Modern
- ☐ Innovative and Ambitious

A.4 Delivering Best Value

There are no direct implications related to this report.

A.5 Involving Communities and Other Stakeholders

Not applicable

A.6 Impact on Performance and Outcomes

Not applicable

A.7 Adopting a Preventative Approach

Not applicable

A.8 Supporting Sustainable Development

Not applicable

Appendix 1. UNISON Midlothian Submission

UNISON Midlothian

This council notes the Scottish Government's recent announcement of "a package of financial flexibilities and extra funding for councils to address the financial pressures caused by the coronavirus (COVID-19) pandemic over the next two years".

Whilst we welcome the recognition of the financial crises local government is in we remain concerned that this 'financial package' does not solve the problem.

Only £139m of this package was 'new' money (£49m of which had already been announced). The remainder of the package is only be available if local authorities make full use of the complicated set of 'fiscal flexibilities' set out.

But these fiscal flexibilities are no substitute for a fair funding settlement. This council still faces a perfect financial storm of extra demand for services at a time of substantial loss of income which means impossible choices about the funding of services going forward.

This council notes that £2bn of 'efficiencies' have already been taken out of local government over the last decade. We also know that the financial impact of COVID-19 will not be confined to the next few months and with Brexit looming the effects of both on the wider economy are going to make the crises in Local Government much worse.

This Council therefore pledges its support for UNISON's campaign and calls on the Scottish Government to Plug The Gap in Local Government finance in the 2021/22 budget to:

- **Reward Local Government Workers** - Local Government workers have been the hidden heroes of this pandemic. Their invaluable contribution to the Covid response should be recognised and rewarded.
- **Secure the long term financial stability of Local Government** – Local Government needs long term stability to protect essential jobs and services for the future. The salami slicing of services needs to stop.
- **Shape Local Government Fit for the Post-Pandemic Future** – It is a matter of fact that a number of roles undertaken by local government workers have changed as a result of the pandemic. These need to be recognised and their job evaluation reviewed as a result.
- **Fully Consolidate the Living Wage** – Deliver on the existing commitment to fully consolidating the living wage for all local government workers across Scotland as committed to through our last pay deal.