

# **Anger over council tax freeze**

**There is considerable anger in response to the announcement by the First Minister, Humza Yousaf that council tax next year will be frozen.**

**The Edinburgh Reporter understands that the Deputy First Minister is to meet the Presidential Team of the Convention of Scottish Local Authorities, (COSLA) later on Wednesday afternoon.**

**The Presidential Team issued a statement this morning after an emergency meeting of COSLA's cross-party political group leaders.**

**The statement reads: "There is absolutely no agreement to freeze Council Tax next year.**

**"The announcement of a council tax freeze as we said yesterday was made completely without reference to Local Government and**

there is no agreement to freeze council Tax next year, the decision to freeze council tax is one which can only be made by Councils.

“Our Cross-Party Group Leaders held an emergency meeting first thing this morning on the back of the announcement and there is real anger at the way this has been handled and what it puts at risk.

“On the back of this our Political Group Leaders also asked us to seek an urgent meeting with the First Minister.

“We deplore the way the announcement was made and its substance, both of which fly in the face of the Verity House Agreement which we all recently signed.

“It has been shown that previous council tax freezes have been regressive, having no impact for the poorest in society and eroding the council tax base, compounding councils’ ongoing underfunding.

“We will explore the implications arising and what the Scottish Government might propose when we meet with the Deputy First Minister later today – but we are clear that local taxation and particularly Council Tax should be left for democratically elected councils to determine.”

Roz Foyer, the STUC General Secretary, said: “Across Scotland our public services are in crisis.

“Local authorities are increasingly strapped for cash and are facing huge budget cuts. Sequential council tax freezes without adequate compensation is one of the key reasons why local services are in such a mess.

“While it is right that people are supported through this cost of living crisis, this cannot be at the expense of funding local services that we all rely on.

“A decade after promising to replace the council tax, we

urgently need to see a real alternative that taxes wealth and is redistributed fairly.

“Local services are crying out for investment and today’s announcement combined with a decade of inaction will only make the situation worse.”

There will also be an emergency full leaders’ meeting of COSLA on Friday to agree on appropriate next steps.

Jonathan Carr-West, Chief Executive, Local Government Information Unit (LGIU) Scotland, said: “LGIU Scotland is deeply concerned by yesterday’s announcement from the First Minister to freeze council tax.

□□The lack of consultation with local government demonstrates a failure of the principles of trust and respect that should be the foundation of the working relationship between the Scottish Government and local authorities and which are at the heart of the Verity House Agreement.

Our research shows how important it is that local government is empowered to make decisions regarding its financing. International comparisons clearly show the detrimental impact that undermining the financial independence of local authorities has on the financial sustainability of the sector and the delivery of essential local services.

Freezing council tax should be a decision for councils, not for central government. Even where those freezes are funded by grants, the loss of growth in the council tax base undermines the council’s finances for years to come. Many councils in England are still recovering from this nearly a decade on.

Everyone aspires to a sustainable, stable future for local government finances but this can only be achieved by giving councils control, not by imposing decisions upon them.

Scotland had seemed to be making good progress in this regard

with the Verity House Agreement and commitments to empowering local government. So it's disappointing to see this backward step."