

Midlothian Council leader says too soon to say over tax increase

Midlothian Council leader Kelly Parry today said it was too early to tell what impact lifting a council tax freeze will have on residents in the coming year.

Speaking as the Scottish Government lifted the freeze while promising a record funding increase for local authorities Councillor Parry, SNP, welcomed the 'flexibility' it will give moving forward.

But she said time will be needed to establish the impact of additional funds on the cash strapped council which is facing a budget gap of £9.4million next year.

The council last month held a consultation with residents over its priorities for the year ahead in which it said every one per cent rise in council tax could generate £670,000 extra a year for council services and cost the average Band D Council Tax payer £9 a month more.

This would mean meeting the deficit through council tax alone would require raising it by 15 per cent.

Councillor Parry said it was too early to say what the additional funding promised in the budget would mean for Midlothian residents.

She said: "I am delighted that John Swinney's first budget has

delivered so strongly for local government – investing in the key services that people in our communities rely on and delivering the largest uplift in funding in recent times.

“Whilst it will take some time to work through what the detail means for Midlothian Council specifically, the flexibility of funding will allow us to make real progress in delivering on people’s priorities in Midlothian.”

Her comments came as the independent body Local Government Information Unit (LGIU) Scotland described the Scottish Government’s view giving more cash to council’s would mean they do not need to increase the tax as ‘too complacent’.

LGIU Scotland chief executive Jonathan Carr-West said: “We know from our annual survey that local government finances in Scotland are hanging by a thread. This budget does not engage with the scale of this challenge.

“There is an increase in core funding in the budget but it doesn’t cover the ever growing costs of core statutory services.

“The Scottish Government has responded to the concerns of councils and has removed the freeze on council tax rises, but the cabinet secretary’s expectation that record funding levels should mean councils do not need to put up council tax is too complacent.

“The truth is that even with the additional funding announced today, local authorities will still need to raise council tax and make cuts to services and will still edge closer to being unable to balance their books.”

By Marie Sharp Local Democracy Reporter