



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Susanne Millar
Chief Executive
Glasgow City Council
City Chambers
George Square
Glasgow
G2 1DU

7 January 2026

Dear Ms Millar,

Thank you for your letter of 17 December to the Chancellor of the Exchequer. I am replying as the Minister responsible for public spending.

I recognise the pressures facing councils in Scotland and the vital services they provide, and I appreciate the Council taking the time to share its views. You raise important issues around the long-term sustainability of public service funding and parity of support for the Glasgow City Region with English metro regions.

In Scotland, local government funding is a devolved matter which is the responsibility of the Scottish Government. The UK Government provides the Scottish Government with a funding settlement, and it is then for the Scottish Government to decide how to allocate that funding across its devolved responsibilities, including to local authorities and city-regions such as Glasgow. The Scottish Government is accountable to the Scottish Parliament for those decisions.

Through Spending Review 2025, the UK Government has provided the Scottish Government with its largest spending review settlement in real terms since devolution in 1998. Building on this, decisions at Autumn Budget 2025 will provide the Scottish Government with an additional £820 million through the operation of the Barnett formula. Taken together, this means that the Scottish Government's overall settlement is set to grow in real terms between 2024-25 and 2028-29. On a per-person basis, the Scottish Government continues to receive at least 20 per cent more than equivalent UK Government spending in the rest of the UK.

Within this settlement, it is for Scottish Government Ministers to determine the level and distribution of support for local government and any specific arrangements for the Glasgow City Region, and to decide how best to use their devolved tax and welfare powers. In your motion you also call for parity of support between the Glasgow City Region and English metro regions. Any decision to create specific funding or governance arrangements for the Glasgow City Region, or to vary funding between councils in Scotland, falls within the remit of the Scottish Government.

I hope this response is helpful, and I am grateful to Glasgow City Council for setting out its concerns.

Yours sincerely,

JAMES MURRAY MP
CHIEF SECRETARY TO THE TREASURY