

2024/26 Budget Proposal

Labour Group and Councillors **McKenzie and McVey**

29th February 2024

Index

Appendix 1 – 2024/26 Budget Summary

Appendix 2 – Savings

Appendix 3 – Reserves

Appendix 4 – Council Tax 2024/25 by Banding

Appendix 5 – 2025/28 Updated Position

Budget Proposal

Balanced 2024/26 Budget based on a 8.2% Increase in Council Tax in 24/25 and 6.0% in 25/26

	<u>2024/25</u> <u>£000</u>	<u>2025/26</u> <u>£000</u>
Gap per Appendix 5 of 29.2.24 Report	2544	3035
Add back prior years use of reserves	3000	2628
Budget Proposal- 29.2.24 Council:		
Savings proposed	-46	-403 Appendix 2
Council Tax increase- 24/25 & 25/26	-2870	-2272 Note 1
Proposed use of Reserves	-2628	-2988 Appendix 3
Funding Gap	<u>0</u>	<u>0</u>

Notes

1. Based on 96.5% collection rate

26.2.24

Appendix 2

Proposed Savings

2024/26 Budget Proposal - Labour/Councillors McKenzie & McVey

Directorate	Est Saving 2024/25 £000's	Est Saving 2025/26 £000's	Est Saving 2026/27 £000's	Est Savings Total £000's	Est FTE Impact
Chief Executive Services	-	-	-	-	-
Environmental and Regeneration	-	210	-	210	-
Education, Communities and Organisational Development	46	193	-	239	-
	46	403	-	449	-

Reviews to be progressed by CMT

1. Options for a sustainable solution to Gourrock Civic Amenity site provision
2. Review of Grants to Community Organisations criteria/process
3. Review Homelink provision as part of a Family Support Services Review
4. Review all School Crossing Patroller sites against national criteria
5. Options to make best use of Breakfast Club funding including review of charging

All to be reported to the relevant Strategic Committee during 2024.

Chief Executive Services Savings Summary
2024/26 Budget Proposal - Labour/Councillors McKenzie & McVey

Saving Title	Proposal	Est Saving 2024/25 £000's	Est Saving 2025/26 £000's	Est Saving 2026/27 £000's	Est Savings Total £000's	Est FTE Impact
				-	-	
		-	-	-	-	-

Environmental & Regeneration Savings Summary
2024/26 Budget Proposal - Labour/Councillors McKenzie & McVey

Saving Title	Proposal	Est Saving 2024/25 £000's	Est Saving 2025/26 £000's	Est Saving 2026/27 £000's	Est Saving Total £000's	Est FTE Impact	Comments
Employability	Reduction in employability services	-	100	-	100	-	Add £300k to employability EMR
Roads	Transfer of pothole patching and road markings to capital	-	110	-	110	-	Add £330k to 2025/28 RAMP Capital from Capital Programme contingency
		-	210	-	210	-	

Education, Communities & Organisational Development Savings Summary
2024/26 Budget Proposal - Labour/Councillors McKenzie & McVey

Saving Title	Proposal	Est Saving 2024/25 £000's	Est Saving 2025/26 £000's	Est Saving 2026/27 £000's	Est Savings Total £000's	Est FTE Impact	
Community Grants Fund	Reduction in grants available to community organisations from 2028/29	-	25	-	25	-	Use £75k from Reserves to defer impact to 2028/29
Clothing Grant	Implement National Qualifying criteria for Clothing Grants from 2028/29	-	100	-	100	-	Fund from Anti Poverty EMR for 3 years
Clothing Grant Primary	Reduce to National Award from 2028/29	-	42	-	42	-	Fund from Anti Poverty EMR for 3 years
Free School Meals	Implement National Qualifying criteria for Free School Meals from 2028/29	43	15	-	58	-	Fund from Anti Poverty EMR for 4 years
EY Transport	Cease transport to Bluebird & Glenbrae Centres	3	11	-	14	-	Saving is vehicle/overhead costs only
		46	193	-	239	-	

Use of Available Reserves

	<u>£m</u>	
Balance available - Appendix 7 29.2.24 Report	1.250	
Reduced Reserves required for the 24/26 Revenue Budget	0.384	Appendix 1
Defer savings impact to 2028/29	-0.875	Note 1
Remaining balance	<u>0.759</u>	

Note 1

Made up of £500k top up to the Anti-Poverty EMR, £300k top up to Employability EMR and £75k into a Community Grants EMR to delay impact of all three to 2028/29

26/2/24

Weekly Impact of 8.2% Increase by Banding

Band	Chargeable Properties*	Band Value	Multiplier	Annual Increase	Weekly Increase	2024/25 Council Tax
A*			200/360	£65.13	£1.25	£859.45
A	17,379 (46.16%)	£0 - £27,000	240/360	£78.16	£1.50	£1,031.34
B	5,992 (15.91%)	£27,001 - £35,000	280/360	£91.19	£1.75	£1,203.23
C	3,697 (9.82%)	£35,001 - £45,000	320/360	£104.21	£2.00	£1,375.12
D	3,441 (9.14%)	£45,001 - £58,000	360/360	£117.24	£2.25	£1,547.01
E	3,613 (9.60%)	£58,001 - £80,000	473/360	£154.04	£2.96	£2,032.60
F	1,898 (5.04%)	£80,001 - £106,000	585/360	£190.52	£3.66	£2,513.89
G	1,418 (3.77%)	£106,001 - £212,000	705/360	£229.60	£4.42	£3,029.56
H	214 (0.57%)	£212,001 +	882/360	£287.24	£5.52	£3,790.18

Note - Estimated to be 37,652 Chargeable Properties

AP/TB

21/02/2024

2025/28 Budget Gap - Labour/Cllrs McKenzie & McVey

	<u>2025/26</u> £m	<u>2026/27</u> £m	<u>2027/28</u> £m	<u>2025/28</u> £m
Block Grant Increase	0.0	0.0	0.0	0.0
Continuing Impact of Depopulation	0.5	0.6	0.6	1.7
Inflation - Pay	3.5	4.0	3.4	10.9
- Non-Pay	1.0	1.0	1.0	3.0
Pressures				
- General Pressures	0.5	0.5	0.5	1.5
- Prudential Borrowing	0.1	0.1	0.1	0.3
Savings/Council Tax Approved to 29.2.24	(5.6)	0.0	0.0	(5.6)
Reduced Use of Reserves	-	1.0	1.0	2.0
Funding Gap	<u>-</u>	<u>7.2</u>	<u>6.6</u>	<u>13.8</u>

a/ £3.0m from Reserves used in 2025/26 and is reduced by £1.0m/year over 2026/29.

b/ Reduced impact of depopulation assumes 0.3% Floor for 2025/28

c/ Pay & Non-Pay inflation and Pressures excludes HSCP

d/ Assumes no new Prudential Borrowing above that already contained in the Loans Charges Model.

e/ Includes no Council Tax increase after 2025/26. (3% annual increase would raise £1.2 million per year)

f/ The movement in Block Grant excludes hypothecated funding increases as these are ring fenced for specific purposes

<u>Key Assumptions</u>	<u>2025/26</u> %	<u>2026/27</u> %	<u>2027/28</u> %
GRG/NDRI Cash Movement	0.0	0.0	0.0
Pay Inflation	3.0	3.0	2.5