

**SPECIAL ANGUS COUNCIL
2 MARCH 2023**

**2023/24 REVENUE & CAPITAL BUDGET SETTING
PROPOSED BUDGETS FOR THE INFRASTRUCTURE & ENVIRONMENT DIRECTORATE**

**JOINT REPORT BY GRAEME DAILLY, DIRECTOR OF INFRASTRUCTURE & ENVIRONMENT
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ABSTRACT

This report sets out the proposed revenue and capital budgets for the Infrastructure and Environment Directorate covering the 2023/24 provisional revenue and capital budgets, budget savings from the Council's Finance & Change Plan, review of charges proposals and budget issues proposed to be included in the budget. Equalities impact assessments for these proposals are also provided. Proposed budget savings for financial years 2024/25 and 2025/26 are included in this report on an indicative basis only – final decisions on those savings will be made as part of the budget setting process for those financial years.

1. RECOMMENDATIONS

1.1 It is recommended that the Council:

- a) note and approve the budget issues contained in Appendix A for inclusion in the Directorate's 2023/24 provisional revenue budget;
- b) note and approve the budget savings contained in Appendix B for inclusion in the Directorate's 2023/24 provisional revenue budget;
- c) note and approve the review of fees and charges contained in Appendix C for inclusion in the Directorate's 2023/24 provisional revenue budget;
- d) note and approve the 2023/24 Provisional Revenue Budget for the Directorate as set out in Appendix D;
- e) note and approve the 2023/24 Provisional Capital Budget for the Directorate as set out in Appendix E;
- f) note that the 2023/24 revenue and capital budgets set out in this report form part of the Council's total budget for determining the 2023/24 Council Tax.

2. ALIGNMENT TO THE COUNCIL PLAN

2.1 This report contributes as a whole to the delivery of the Council Plan.

3. BACKGROUND

3.1 Reference is made to Report 225/22 and Report 406/22 submitted to the Policy & Resources Committee in August and December 2022 respectively which set out the approach and timetable for the preparation of the 2023/24 revenue and capital budgets.

3.2 This report and its appendices sets out the proposed 2023/24 provisional revenue and capital budgets for the Infrastructure and Environment Directorate which along with the proposed budgets for all other Directorates and corporate budget items will make up the Council's total budget so that the 2023/24 Council Tax can be determined by elected members.

4. 2023/24 PROVISIONAL REVENUE BUDGET

4.1 The proposed 2023/24 revenue budget for the Directorate comprises the following:-

4.2 Budget Issues (see Appendix A for details)

Through the budget setting process each Director identifies areas of their budget where specific issues are expected to arise which will mean that the current budget provision is inadequate and may need to be increased e.g. due to inflation or increased service demand. Some budget issues need to be taken at risk due to affordability constraints but those which are considered to be unavoidable are recommended for inclusion in the proposed revenue budget.

It is proposed that charges for off-street parking remain suspended during 2023/24 while an impact assessment of the return of charges on town centres post COVID-19 pandemic is completed. This will be used to guide options for the re-introduction of the charges. The loss of income compared to the base budget arising from suspension of charges for a further year has been reflected as a one-off budget issue of £0.315 million in Appendix A.

4.3 Budget Savings (see Appendix B for details)

The Council's financial challenges mean that savings in existing budgets must be made to achieve a balanced budget overall. Budget savings help to offset the additional costs arising from budget issues and other cost increases such as pay and general inflation.

The Council's Change Programme as set out in the Finance & Change Plan (Report 40/23 refers) covers all of the savings being proposed in the Council's budget over the financial years 2023/24, 2024/25 and 2025/26. The budget savings proposed to be applied to the Directorate's 2023/24 budget and which elected members are being asked to approve are set out in Appendix B. The proposed budget savings for financial years 2024/25 and 2025/26 included in Appendix B are indicative only at this point – final decisions on those savings will be made as part of the budget setting process for those financial years.

The review and options appraisal of recycling centres is set out in Appendix F. It is proposed that Monifieth Recycling Centre closes and that non-recyclable (general) waste is reintroduced at Carnoustie Recycling Centre to deliver an estimated £0.049 million saving. It is also proposed that Kirriemuir Recycling Centre closes to deliver an estimated £0.047 million saving.

As detailed in Appendix F, the running costs of Monifieth Recycling Centre are high relative to the other Centres, due in large part to a payment that has to be made for access through neighbouring land. An agreement has been established with Dundee City Council for residents in the Monifieth and surrounding area to use the Baldovie Recycling Centre, which is only 5 miles from the existing Centre. The return of a non-recyclable waste skip to Carnoustie provides further choice for Monifieth residents.

Appendix F shows that Kirriemuir Recycling Centre collects by far the least amount of waste/recycling in Angus and has an estimated collection cost of £186 per tonne. The next closest recycling centre (Brechin) collects almost double the amount of waste/recycling and has an estimated collection cost of £90 per tonne. It is recognised that this will impact residents currently using the Kirriemuir Centre however the Forfar Recycling Centre is considered sufficiently nearby (6 miles from Kirriemuir).

The review and options appraisal of public transport provision is set out in Appendix G. It is proposed that contracts A670 and A673 are withdrawn. This would leave the Auchterhouse, Bridgefoot, Tealing, Murroes and surrounding areas communities without access to public transport. To counteract this, it is proposed that a Demand responsive transport (DRT) scheme is introduced and piloted in this area.

The A670 and A673 contracts were previously supported in part by Dundee City Council, however they withdrew their support in 2019/20. An on-bus survey showed that only 6.6% of passengers were Angus residents and the rest boarded once the service was in Dundee. There were no Angus passengers during the early morning journeys, provided mainly for workers accessing employment, and feedback from the operator is that this is consistently the case.

DRT services run without a set timetable and use smaller vehicles than fixed route bus services. Dial-a-ride services scheduled through advance bookings are the typical example. The views of the local community will be considered when designing the DRT scheme but the principle

would be fewer journeys and the use of a smaller vehicle. The withdrawal of the contracts and introduction of DRT will deliver an estimated £0.100 million saving.

4.4 Review of Charges (see Appendix C for details)

The Council levies fees and charges for some services it provides. Some of these are set nationally but most are determined by the Council. Increases in fees and charges are usually necessary to reflect the impact of inflation on the cost of providing services.

The proposed fees and charges for the Directorate's services for financial year 2023/24 are set out in Appendix C. The percentage increase on current fees and charges is also shown as is the additional income the increase is expected to generate.

The charge for a green (garden waste) bin annual subscription is increasing from £30 to £40. This is a move towards full cost recovery for the collection service and has been included in the Finance & Change Plan. The charge is comparable with rates applied by other local authorities e.g. Perth & Kinross Council charge £40 and Dundee City Council £42.50 per bin.

Report 197/21 to Policy & Resources Committee on 8 June 2021 set out how charges would be applied for the use of publicly owned and maintained electric vehicle (EV) charge points in Angus. The Scottish Futures Trust (SFT) published an Insights Report on public EV charging tariffs in November 2022. It recommended local authorities should levy tariffs that cover all direct and indirect costs (including asset replacement) so they broadly align with the market rate tariff charged by the private sector. The proposed increase from £0.23 to £0.41 per kWh reflects the recommendation of the SFT to recover all costs and is comparable with tariffs applied by private sector providers in Angus.

Charges for 2023/24 commercial waste and recycling services were agreed at Communities Committee on 24 January 2023 ([Report 3/23](#)).

4.5 Directorate Net Expenditure Summary (see Appendix D for details)

An overall summary of the proposed 2023/24 revenue budget for the Directorate is included as Appendix D to this report. This includes the budget implications from the budget issues, budget savings and review of charges proposals contained in Appendices A to C and represents the proposed 2023/24 Provisional Revenue Budget for the Directorate.

4.6 All of the 2023/24 revenue budget proposals set out in this report have been incorporated into the Council's overall budget for the year, a summary of which is included in Report 54/23 – Provisional Revenue and Capital Budget 2023/24 - Background Report & Setting of Council Tax 2023/24.

5. **2023/24 PROVISIONAL CAPITAL BUDGET**

5.1 The Council's capital budget is where proposed investment in Council assets and infrastructure is captured. The 2023/24 Provisional Capital Budget for the Directorate is included as Appendix E to this report. Appendix E has 3 sections and shows the proposed and projected capital budget covering financial years 2022/23 to 2026/27. Members are being asked to approve the capital budget for all of the financial years shown in Appendix E on the basis that budgets for 2024/25 to 2026/27 will be subject to further review as part of the budget setting process for those years.

6. **FINANCIAL IMPLICATIONS**

6.1 There are no additional financial implications for the Council beyond those set out in the body and appendices of this report. Members should however note that any changes to the budget proposals set out in this report which have financial implications will impact onto the Council's overall budget and the basis for achieving a balanced budget.

7. EQUALITY IMPACT ASSESMENT

7.1 Equality impact assessments have been prepared covering the proposals set out in the report as follows:-

EIA covering Budget Savings – Appendix B1 - B6

The other proposals do not require full EIAs as they do not impact on people or are for information only but screening EIAs have been prepared.

NOTE: The following background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 were relied on in preparing the above report.

- Finance Circular 11/2022 issued by the Scottish Government

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List of Appendices

Appendix A – Directorate Budget Issues

Appendix B – Directorate Budget Savings

Appendix C – Directorate Review of Charges

Appendix D – Directorate Net Expenditure Summary - 2023/24 Provisional Revenue Budget

Appendix E – Directorate 2023/24 Provisional Capital Budget

Appendix F – Recycling Centres Option Appraisal

Appendix G – Review of Public Transport

Appendix B1 – Equalities Impact Assessment – Budget Savings Centralisation of Property Management

Appendix B2 – Equalities Impact Assessment – Budget Savings Reduce Temperature in Properties

Appendix B3 – Equalities Impact Assessment – Budget Savings Reduction in Waste Disposal Costs

Appendix B4 – Equalities Impact Assessment – Budget Savings Directorate SMT

Appendix B5 – Equalities Impact Assessment – Budget Savings Review of Recycling Centres

Appendix B6 – Equalities Impact Assessment – Budget Savings Review of Public Transport Provision