

SPECIAL ANGUS COUNCIL – 2 MARCH 2023

**2023/24 REVENUE & CAPITAL BUDGET SETTING
PROPOSED BUDGETS FOR THE HR, OD, DIGITAL ENABLEMENT, IT & BUSINESS SUPPORT
DIRECTORATE**

**JOINT REPORT BY SHARON FAULKNER, DIRECTOR OF HR, OD, DIGITAL ENABLEMENT, IT &
BUSINESS SUPPORT AND IAN LORIMER, DIRECTOR OF FINANCE**

ABSTRACT

This report sets out the proposed revenue and capital budgets for the HR, OD, Digital Enablement, IT & Business Support Directorate covering the 2023/24 provisional revenue and capital budgets, budget savings from the Council's Finance & Change Plan, 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 2023/24 Provisional Revenue Budget for the Directorate as set out in Appendix C;
- d) note and approve the 2023/24 Provisional Capital Budget for the Directorate as set out in Appendix D;
- e) 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 HR, OD, Digital Enablement, IT & Business Support 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.

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.

4.4 Directorate Net Expenditure Summary (see Appendix C for details)
An overall summary of the proposed 2023/24 revenue budget for the Directorate is included as Appendix C to this report. This includes the budget implications from the budget issues and budget savings contained in Appendices A and B and represents the proposed 2023/24 Provisional Revenue Budget for the Directorate.

4.5 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 the 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 D to this report. Appendix D 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 D 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 ASSESSMENT

7.1 An equality impact assessment has been prepared covering the proposals set out in the report as follows:-

EIAs covering Budget Issues – all budget issues required a screening EIA only as there was no differential impact on any persons with protected characteristics.

EIAs covering Budget Savings – Three EIAs for budget savings which required a full EIA are contained in Appendix B1- 3

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 Net Expenditure Summary - 2023/24 Provisional Revenue Budget

Appendix D – Directorate 2023/24 Provisional Capital Budget

Appendix B1 – Equalities Impact Assessments – Budget Savings – Business Support Review

Appendix B2 – Equalities Impact Assessments – Budget Savings – Service Review

Appendix B3 – Equalities Impact Assessments – Budget Savings – Collaboration Organisational Design