

NON ALIGNED COUNCILLORS
BUDGET AMENDMENT 2024/25

ANGUS COUNCIL

REVENUE & CAPITAL BUDGETS 2024/25

Special Angus Council – 29 February 2024

ALTERNATIVE BUDGET PROPOSAL AS DETAILED IN AGENDA ITEM 8

AGENDA ITEMS 3 TO 5 AND 8 BY NON ALIGNED COUNCILLORS

I formally move that the Council: -

1. Note the latest 2023/24 revenue and capital monitoring position as reported to the Policy & Resources Committee on 30 January 2024 as set out in Reports 24/24 and 25/24, respectively.
2. Have due regard to the public sector equality duty and the detail provided in the equalities impact assessments and the Fairer Scotland Duty, and the detail provided in the relative assessments related to reducing inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions, all accompanying the reports for Agenda Items 3 to 5 and 8 for this meeting.
3. Note and approve the Council Plan, Finance & Change Plan and Workforce Plan Update as set out in Report 49/24 as submitted by the Chief Executive.
4. Note the views of the Trade Union representatives on the Central Consultative Committee arising from their meeting earlier today as per the verbal update provided at this meeting by the Director of HR, OD, Digital Enablement, IT & Business Support.
5. Note the views of the Special Family, Education & Justice Committee arising from their meeting earlier today as per the verbal update provided at this meeting by the Director of Education and Lifelong Learning.
6. Note and approve the Summary Financial Context and Financial Sustainability Challenges relevant to the 2024/25 budget setting process as set out in Report 50/24 as submitted by the Director of Finance.
7. Note and approve the recommendations as set out in Report 51/24 as submitted jointly by the Director of Education & Lifelong Learning and the Director of Finance relating to the 2024/25 Revenue & Capital Budget Setting – Proposed Budgets for the Education & Lifelong Learning Directorate **as amended by Report 72/24, Non Aligned Councillors Budget Proposals published in terms of Standing Order 4.**
8. Note and approve the recommendations as set out in Report 52/24 as submitted jointly by the Director of Infrastructure & Environment and the Director of Finance relating to the 2024/25 Revenue & Capital Budget Setting – Proposed Budgets for the Infrastructure & Environment Directorate **as amended by Report 72/24, Non Aligned Councillors Budget Proposals published in terms of Standing Order 4.**
9. Note and approve the recommendations as set out in Report 53/24 as submitted jointly by the Director of Children, Families & Justice and the Director of Finance relating to the 2024/25 Revenue & Capital Budget Setting – Proposed Budgets for Children, Families & Justice Directorate.
10. Note and approve the recommendations as set out in Report 54/24 as submitted jointly by the Director of HR, OD, Digital Enablement, IT & Business Support and the Director of Finance relating to the 2024/25 Revenue & Capital Budget Setting – Proposed Budgets for the HR, OD, Digital Enablement, IT & Business Support Directorate.
11. Note and approve the recommendations as set out in Report 55/24 as submitted jointly by the Director of Legal, Governance & Change and the Director of Finance relating to the 2024/25 Revenue & Capital Budget Setting – Proposed Budgets for the Legal, Governance & Change Directorate.

12. Note and approve the recommendations as set out in Report 56/24 as submitted jointly by the Director of Vibrant Communities & Sustainable Growth and the Director of Finance relating to the 2024/25 Revenue & Capital Budget Setting – Proposed Budgets for the Vibrant Communities & Sustainable Growth Directorate **as amended by Report 72/24, Non Aligned Councillors Budget Proposals published in terms of Standing Order 4.**
13. Note and approve the recommendations as set out in Report 57/24 as submitted by the Director of Finance relating to the 2024/25 Revenue & Capital Budget Setting – Proposed Budgets for the Finance Directorate **as amended by Report 72/24, Non Aligned Councillors Budget Proposals published in terms of Standing Order 4.**
14. Note and approve the recommendations as set out in Report 58/24 as submitted jointly by the Chief Executive and the Director of Finance relating to the 2024/25 Revenue & Capital Budget Setting – Proposed Budgets for the Chief Executive’s Service.
15. Note and approve the recommendations as set out in Report 59/24 as submitted by the Director of Finance relating to the 2024/25 Revenue & Capital Budget Setting – Proposed Budgets for Other Services and Corporate Items.
16. Note and approve the recommendations as set out in Report 60/24 as submitted by the Chief Officer, Angus Integrated Joint Board relating to the Review of Angus Council Charges for Support and Care Services and Residential Fees 2024/25.
17. Note and approve the recommendations as set out in Report 61/24 as submitted by the Director of Finance relating to the Devolved Budget to Angus Health and Social Care Partnership Integration Joint Board for 2024/25.
18. Note and approve the recommendations as set out in Report 62/24 as submitted jointly by the Director of Finance and the Director of Legal, Governance & Change relating to ANGUSalve Charges Review & Budget Settlement 2024/25.
19. Note and approve the recommendations as set out in Report 63/24 as submitted by the Director of Finance relating to the Provisional Revenue & Capital Budget – Background Report & Setting of the 2024/25 Council Tax **as amended by Report 72/24, Non Aligned Councillors Budget Proposals published in terms of Standing Order 4.**
20. Note the total net revenue expenditure to be met from Council Tax for 2024/25 of £74.122 million **as set out in Report 72/24, Non Aligned Councillors Budget Proposals published in terms of Standing Order 4.**
21. Note and have due regard to the public sector equality duty and Fairer Scotland Duty in terms of the detail provided in Report 64/24 as submitted by the Director of Finance relating to the Equality Impact Assessment & Fairer Scotland Duty Assessment – Overall Revenue & Capital Budget 2024/25.
22. Note the proposed 1.75% level for Council Tax non-collection in 2024/25 as set out in Report 63/24. This would result in a Band D equivalent tax base of 48,223 as set out in **Statement 1.**
23. Approve the addition of £0.508 million to Other Services Council Tax Reduction Scheme as set out in Report 65/24 and **Statement 2**, noting this will be funded from additional Council Tax Income.
24. Approve the drawdown of £2.973 million from Council Reserves for One Off Budget Issues and Change Programme Savings Deferrals as set out in Report 65/24 and **Statement 2.**
25. Approve the drawdown of £1.728 million from the Exceptional Cost Pressures Reserves as set out in Report 65/24 and **Statement 2.**
26. Approve the drawdown of £1.356 million of Council Reserves which, along with the proposed increase in Council Tax, will enable delivery of a balanced budget in 2024/25 as set out in **Statement 2.**

27. Approve the Council Tax Calculation Statement, which encompasses all the appropriate elements of this Amendment as set out in **Statement 2**.

28. Agrees an Angus Council Band D Council Tax Charge for 2024/25 as follows: -

Council Tax (Band D) £1,422.00 (as set out in Statement 2)

29. Note the impact of the 8.0% increase in Council Tax for 2024/25, as set out in **Statement 3**.

30. Approve the recommendations as set out in Report 65/24, as submitted by the Director of Finance, relating to an Update on the General Fund Reserve and the Proposed Budget Strategy for the Use of the Reserve Balance over the Period 2024/25 – 2027/28, **as amended in Statements 4a&b**.

31. Note the impact on the level of Earmarked Reserves of the proposals detailed in this Amendment, as detailed in **Statement 5**.

32. Note that £6.856 million for the proposed reserve strategy draw down for financial year 2024/25 to 2026/27 remains committed against the projected Uncommitted General Fund balance at 1 April 2024 as shown in **Statements 6a&b**.

33. Note and approve the recommendations as set out in Report 66/24 as submitted by the Director of Finance relating to the Provisional 3 Year Revenue Budget Position for 2024/25 and Indicative Revenue Budgets for 2025/26 and 2026/27 **as amended in Statements 6a&b**.

34. Note and approve the recommendations as set out in Report 67/24 as submitted by the Director of Finance relating to the Capital Strategy 2024/25.

35. Note and approve the recommendations as set out in Report 68/24 as submitted by the Director of Finance regarding the Long Term Affordability of the General Fund Capital Plan.

36. Approve the recommendations as set out in Report 69/24 as submitted by the Director of Finance regarding the Setting of Prudential Indicators for the 2024/25 Budget Process.

ANGUS COUNCIL

NON ALIGNED COUNCILLORS – REVENUE BUDGET 2024/25

COUNCIL TAX NON-COLLECTION LEVEL

<u>COUNCIL TAX BAND D EQUIVALENT</u>	Yield for every (£1) Charge
100% Collection	£49,082
99% Collection	£48,591
98.25% Collection	£48,223
98% Collection	£48,100
97% Collection	£47,610
96% Collection	£47,119
95% Collection	£46,628
94% Collection	£46,137

Notwithstanding that a 1.75% non-collection is to be assumed the Council is advised that every effort will continue to be made to collect all Council Tax due.

Non Aligned Councillors - Revenue Budget 2024/25**STATEMENT 2****Council Tax Calculation Statement**

	<u>£m</u>	<u>£m</u>
Net Expenditure To Be Met From Council Tax (before Contributions to / (from) Council Reserves)		74.122
Add: Other Services Council Tax Reduction Scheme Increase Arising From 8% Council Tax Increase		0.508
Less: Drawdown from Council Reserves to Fund One Off Budget Issues (Report 65/24)	(0.788)	
Less: Additional Drawdown by Non Aligned Councillors to Fund Deferred Change Programme Savings	(0.050)	
Less Additional Drawdown By Non Aligned Councillors to Fund One Off Budget Issues	<u>(2.135)</u>	(2.973)
Less: Drawdown from Council Reserves as per Reserve Strategy (Report 65/24)		(1.728)
Less: Drawdown from Council Reserves as per Reserve Strategy ongoing (Report 65/24)	(2.889)	
Less: Additional Drawdown by Non Aligned Councillors to Fund Removed Change Programme Savings	(0.150)	
Less: Additional Drawdown by Non Aligned Councillors to Fund Ongoing Budget Issues	(0.047)	
Add: Reduced Drawdown from Council Tax Increase Net Income	<u>1.730</u>	(1.356)

NET EXPENDITURE TO BE MET FROM COUNCIL TAX**68.573**

	<u>Number</u>
Council Tax Base (Band D equivalent number of dwellings)	49,082
Less: Recommended Provision for non-collection (1.75%)	<u>(859)</u>
Revised Tax Base	<u>48,223</u>

Band D Council Tax 2024/25**£1,422.00**

Band D Council Tax Increase	£105.32
Band D Council Tax Increase	8.00%

IMPACT OF 8% INCREASE ON COUNCIL TAX

Band	<u>Fraction of Band D</u>	<u>2023 / 24 Council Tax</u> £	<u>2024 / 25 Council Tax</u> £	<u>Impact of 8% Band D Increase</u> £	<u>Increase</u> %
A	240/360	877.79	948.00	+ 70.21	8.0%
B	280/360	1,024.08	1,106.00	+ 81.92	8.0%
C	320/360	1,170.38	1,264.00	+ 93.62	8.0%
D	360/360	1,316.68	1,422.00	+ 105.32	8.0%
E	473/360	1,729.97	1,868.35	+ 138.38	8.0%
F	585/360	2,139.61	2,310.75	+ 171.15	8.0%
G	705/360	2,578.50	2,784.75	+ 206.25	8.0%
H	882/360	3,225.87	3,483.90	+ 258.03	8.0%

Non Aligned Councillors Revenue Budget 2024/25

As a result of the proposals in the Amendment some of the recommendations in Report 65/24 need to be updated to reflect revisions to the figures.

The Amendment, therefore, amends the recommendations of Report 65/24 as follows:

i: unchanged

ii: unchanged

iii: approve the 4 year strategy for the use of the Uncommitted General Fund Reserve of £16.523 million over the 4 year period 2024/25-2027/28 as set out in **Statement 4b**;

iv: unchanged

v: note that the projected remaining Uncommitted General Fund Reserve position after all of the above recommendations are applied is nil as set out in **Statement 4b**;

vi: note that there is no remaining uncommitted reserve to be held as an additional contingency.

STATEMENT 4 b

**Non Aligned Councillors - 2024/25 Revenue Budget
Amended Appendix A to Report 65 / 24**

Summary of General Fund Reserve Position and Commitments							
	Core General Fund Reserve £m	Exceptional Cost Pressures Reserve £m	Severance/Staff Training/Staff Redeployment £m	Spend to Save etc £m	Reserve Drawdown Strategy £m	Other Reserves £m	Total £m
Revised Balance / Provisions Before New Strategy	0.175	2.000	3.500	1.500	10.000	0.000	17.175
Add T/f from Drawdown Strategy to Core	0.111	0.000	0.000	0.000	(0.111)	0.000	0.000
T/f from core to Excp Cost Pressures Reserve	(0.286)	0.286	0.000	0.000	0.000	0.000	0.000
Total Available For New Strategy from App A, Report 65/24	0.000	2.286	3.500	1.500	9.889	0.000	17.175 Note 1
Impact of Proposals from Report 72/24							
Less: Deferral of Change Programme Savings	0.000	(0.050)	0.000	0.000	0.000	0.000	(0.050)
Less: One Off Budget Issues / Investments	0.000	(2.135)	0.000	0.000	0.000	0.000	(2.135)
Less: Deleted Change Programme Savings	0.000	0.000	0.000	0.000	(0.150)	0.000	(0.150)
Less: On going Budget Issues / Investments	0.000	0.000	0.000	0.000	(0.047)	0.000	(0.047)
Add: Net Contribution from Council Tax Increase	0.000	0.000	0.000	0.000	1.730	0.000	1.730
Revised Balance Available for New 4 year Strategy	0.000	0.101	3.500	1.500	11.422	0.000	16.523 Note 2
Commitments - Revised 4 Year Strategy (Amendment)	0.000	(0.101)	(3.500)	(1.500)	(11.422)	0.000	(16.523)
Projected Uncommitted General Fund Reserve Balance at 31 March 2024	0.000	0.000	0.000	0.000	0.000	0.000	0.000

Note 1 - these figures represent the sums officers recommend be set aside for the purposes shown in each column as part of a new 4 year Reserves Strategy

Note 2 - these figures represent the sums to be aside for the purposes shown in each column as part of a new 4 year Reserves Strategy based on the proposals in the Amendment. In summary the Amendment would mean having: an Exceptional Cost Pressure of £0.101m compared to £2.286m; and a Reserve Drawdown Strategy Reserve of £11.422 compared with £9.889m.

**Non Aligned - 2024/25 Revenue Budget
Statement of Earmarked Reserves**

Reserve	Minimum Balance £m	Actual Balance 1/04/2023 £m	Contributions to/(from) during 2023/24 £m	Estimated Commitments at 1/04/2024 £m	Estimated Uncommitted Balance at 1/04/2024 £m	Proposed Use of Reserves Appendix A of Report 65/24 £m	Review of Current Reserve Strategy per Report 65/24 (Appendix A) £m	Proposed Reserve Strategy for 2024/25- 2027/28 per Report 65/24 (Appendix A) £m	Proposed Additioanl Contingency for Future Budget Risks £m	Estimated Uncommitted Balance at 1/04/2025 £m	Additional Drawdown of Commitments Beyond 2024/25 £m	
General Fund	n/a	71.214	0.000	(66.728)	4.486	(3.463)	15.500	(16.523)	0.000	0.000	7.000	(Note 1)
Memorandum Purposes Exceptional Cost Pressures Reserve (included in the General Fund)	n/a	12.341	0.000	(6.816)	5.525	(5.890)	0.466	(0.101)	0.000	0.000	0.000	(Note 2)
Other Reserves included in the General Fund)												
Car Parking Reserve	n/a	0.179	0.000	0.000	0.179	0.000	0.000	0.000	0.000	0.179	0.000	
Arbroath Harbour Reserve	0.100	0.211	0.000	0.000	0.211	0.000	0.000	0.000	0.000	0.211	0.000	
Devolved School Management	n/a	1.149	(1.149)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Special Funds												
Renewal & Repair Fund: -												
Roads & Transportation	0.100	0.108	0.000	0.001	0.109	0.000	0.000	0.000	0.000	0.109	0.000	
Property	0.150	0.296	0.000	(0.078)	0.218	0.000	0.000	0.000	0.000	0.218	0.000	
Information Technology	0.084	0.084	0.000	0.000	0.084	0.000	0.000	0.000	0.000	0.084	0.000	(Note 3)
Recreation (Angus Alive)	n/a	0.278	0.000	(0.278)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Recreation (Parks)	0.015	0.016	0.000	(0.001)	0.015	0.000	0.000	0.000	0.000	0.015	0.000	
Capital Fund	n/a	0.775	0.000	(0.635)	0.140	0.000	0.000	0.000	0.000	0.140	0.000	
Insurance Fund	n/a	1.421	0.000	(1.000)	0.421	1.000	0.000	0.000	0.000	1.421	0.000	

Note 1 - Report 72/24 recommends new proposals on a 4 year strategy for General Fund Reserve drawdowns for the period 2024/25 - 2027/28, £1.8m in 24/25, £3m in £25/26, £2.5m in 26/27 & £1.5m in 27/28. The report also proposes the funding of £2.382m towards 24/25 revenue budget issues.

Note 2 - Within the General Fund Reserve there is a sub section called the Exceptional Cost Pressures Reserve. Report 72/24 recommends restating this to £0.101m.

Note 3 - It should be noted that the IT Renewal & Repairs Fund has gone below the minimum balance.

Non Aligned Councillors Revenue Budget 2024/25

As a result of the proposals in the Amendment some of the recommendations in Report 66/24 need to be updated to reflect revisions to the figures.

The Amendment, therefore, amends the recommendations of Report 66/24 as follows:

i: unchanged

ii: unchanged

iii: note the projected funding gaps for 2024/25, 2025/26 and 2026/27 that will need to be addressed as set out in **Statement 6b**;

iv: unchanged

v: no longer required

vi: note the potential path to a balanced budget for the 3 year period as set out on an indicative basis only in **Statement 6b** which shows a sizeable gap remaining of £7.990 million even after increases in Council Tax, significant savings and the use of reserves on a substantial scale

vii: no longer required

viii: unchanged

**Non Aligned - 2024/25 Revenue Budget
Amended Appendix A to Report 66 / 24**

NET EXPENDITURE SUMMARY STATEMENT	Provisional Budget 2024/25 £ m	Remove One Off Budget Issues & Savings 2024/25 £ m	Budget Growth 2025/26 £ m	Savings 2025/26 £ m	Provisional Budget 2025/26 £ m	Budget Growth 2026/27 £ m	Savings 2026/27 £ m	Provisional Budget 2026/27 £ m
SERVICE								
Education & Lifelong Learning	148.296	(0.090)	0.497	(1.502)	147.201	0.497	(0.450)	147.248
Infrastructure & Environment	40.723	(1.619)	0.769	(0.525)	39.348	0.769	0.000	40.117
Children, Families & Justice	28.305	(2.277)	1.773	0.000	27.801	0.909	0.000	28.710
HR, OD, Digital Enablement, IT & Business Support	9.511	0.000	0.164	(0.050)	9.625	0.164	0.000	9.789
Legal, Governance & Change	9.008	(0.050)	0.000	(0.575)	8.383	0.000	(0.250)	8.133
Vibrant Communities & Sustainable Growth	5.819	(0.620)	0.100	(0.465)	4.834	0.100	0.000	4.934
Finance	3.859	0.000	0.000	(0.135)	3.724	0.000	0.000	3.724
Chief Executive	1.761	0.000	0.000	0.000	1.761	0.000	0.000	1.761
Other Services	5.025	0.000	0.000	0.000	5.025	0.000	0.000	5.025
SERVICES SUB-TOTAL	252.307	(4.656)	3.303	(3.252)	247.702	2.439	(0.700)	249.441
Corporate Items								
Capital Financing Costs	10.500	0.000	0.000	0.000	10.500	0.000	0.000	10.500
Provision for Previous Years Pay Awards/Living Wage Consolidation	0.030	0.000	0.000	0.000	0.030	0.000	0.000	0.030
Provision for Pay award 2023/24	0.243	0.000	0.000	0.000	0.243	0.000	0.000	0.243
Provision for Pay award (2024/25, 2025/26 & 2026/27)	5.804	0.000	4.428	0.000	10.232	5.015	0.000	15.247
Pension - Employers Contribution Rate Decrease	(1.100)	0.000	0.000	0.000	(1.100)	0.000	0.000	(1.100)
Non Employee Cost Slippage	(0.300)	0.000	0.000	0.000	(0.300)	0.000	0.000	(0.300)
Provision for Non Pay Inflation & Other Risks	2.325	0.000	0.000	0.000	2.325	0.000	0.000	2.325
Corporate Change Programme Savings to be allocated	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Corporate Change Programme Savings	(1.014)	0.000	0.000	(0.828)	(1.842)	0.000	(1.330)	(3.172)
CORPORATE ITEMS SUB-TOTAL	16.488	0.000	4.428	(0.828)	20.088	5.015	(1.330)	23.773
NET EFFECT OF ALL OTHER CHANGES	0.000	0.000	0.000	0.000	(3.540)	0.000	0.000	(6.697)
Others								
Surplus Local Tax Income	(0.234)	0.000	0.000	0.000	(0.234)	0.000	0.000	(0.234)
Income from Long Term Empty Properties	(0.500)	0.000	0.000	0.000	(0.500)	0.000	0.000	(0.500)
Specific Grants Netted off Within Services	3.939	0.000	0.000	0.000	3.939	0.000	0.000	3.939
OTHER SUB-TOTAL	3.205	0.000	0.000	0.000	3.205	0.000	0.000	3.205
Tayside Valuation Joint Board	0.817	0.000	0.000	0.000	0.817	0.000	0.000	0.817
Tayside Contracts (Net Surplus - Angus Share)	(0.250)	0.000	0.000	0.000	(0.250)	0.000	0.000	(0.250)
	0.567	0.000	0.000	0.000	0.567	0.000	0.000	0.567
Angus Health & Social Care Partnership	74.725	0.000	0.447	(0.447)	74.725	0.000	0.000	74.725
NET EXPENDITURE	347.292	(4.656)	8.178	(4.527)	342.747	7.454	(2.030)	345.014
General Revenue Grant	(240.019)	0.000	0.276	0.000	(239.743)	0.274	0.000	(239.469)
Non Domestic Rates Income	(29.212)	0.000	0.000	0.000	(29.212)	0.000	0.000	(29.212)
Specific Grants	(3.939)	0.000	0.000	0.000	(3.939)	0.000	0.000	(3.939)
TOTAL GOVERNMENT GRANT	(273.170)				(272.894)			(272.620)
NET EXPENDITURE TO BE MET FROM COUNCIL TAX	74.122				69.853			72.394
COUNCIL TAX (2023/24 LEVELS)	(63.144)				(63.494)			(63.594)
PROJECTED FUNDING GAP AFTER CHANGE PROGRAMME SAVINGS	10.978				6.359			8.800
PATH TO A BALANCED BUDGET								
INDICATIVE INCREASE IN COUNCIL TAX BASE INCOME	(0.350)				(0.100)			(0.100)
COUNCIL TAX FREEZE GRANT (ILLUSTRATIVE PURPOSES ONLY)	0.000				0.000			0.000
INDICATIVE INCREASE IN COUNCIL TAX INCOME (5% 25/26 & 26/27)) Net of Council Tax Reduction Impact	(4.571)				(2.841)			(2.984)
GENERAL FUND RESERVE DRAWDOWN STRATEGY (on going)	(1.356)				(3.000)			(2.500)
EXCEPTIONAL COST PRESSURES RESERVE (one off)	(1.728)				0.000			0.000
USE OF GENERAL FUND RESERVE - ONE OFF BUDGET ISSUES	(2.973)				0.000			0.000
OTHER USE OF RESERVES (IF AVAILABLE)	0.000				0.000			0.000
ADJUSTMENT FOR PREVIOUS YEARS ONE-OFF SOLUTIONS	0.000				1.356			3.000
PROJECTED REMAINING FUNDING GAP/(SURPLUS)	(0.000)				1.774			6.216
CUMULATIVE REMAINING FUNDING GAP/(SURPLUS)					1.774			7.990