

2025/26 Budget Progress Update

Introduction

In accordance with the Council's Financial Regulations the detailed preparation of the 2025/26 revenue and capital budgets commenced in August this year. [Report 242/24](#) to Policy & Resources Committee in September included an indicative timeline for the 2025/26 budget process and this has now been updated to reflect the progress to date and is detailed below. All actions completed to date have been shaded grey. The main areas from the budget timeline to highlight to inform this update are as follows:

- Budget guidance was issued to all of the Council's Service Directors in August requiring that base revenue budgets and capital budgets were prepared and submitted to the Finance Corporate Support Team.
- Provisional Revenue Budget packs were submitted to Finance by all Directorates.
- Provisional Capital Budget packs were submitted to Finance by all Directorates.
- Budget Submission Review meetings have been undertaken with Directors and budget holders to discuss and validate the revenue & capital budget packs submitted.
- The Policy and Budget Strategy Group met on 22 August and met again on 22 November to review Directorate revenue & capital budget packs.
- Unfortunately due to various issues within the budget team, the Medium Term Budget Strategy will now be presented to Angus Council on 19 December and not 7 November as planned.
- Scottish Government has confirmed that the Scottish Budget will be announced on 4 December which is earlier than last year. The Finance Circular will be issued around 12 December and will require time for work to determine the impact on funding for Angus Council. The earlier budget will hopefully mean that there should not be any impact on the Special Council Tax meeting currently planned for late February. It should be noted that other issues can emerge which could impact this date.
- The general process for the preparation of the 2025/26 revenue and capital budgets will ultimately lead to the setting of the Budget and Council Tax in February 2025.

Overall the budget preparation process and timetable is on track as the Council works towards setting its budget in late February 2025. **However the task of identifying savings on the scale required to achieve a balanced budget remains a significant concern at this time.** Although the scale of revenue budget issues coming forward this year is lower than in previous years the savings values in the Change Programme are not coming through to at least cover these issues, with some possibly being undeliverable. This alongside cost pressures caused by general inflation and pay inflation are a cause for concern albeit additional Scottish Government funding for 2025/26 is now expected to be available. It will again be very challenging to deliver a balanced budget for the next financial year while limiting the impact of service cuts to Angus communities.

Summary Timeline for the Period August 2024 – June 2025

<u>Date</u>	<u>Action</u>
2024	
Early August	Director of Finance issues Provisional Revenue Budget Guidance to Directors and Finance Service Contacts.
22 August	Policy & Budget Strategy Group (PBSG) meeting to discuss broad strategy for Council plan and budget and to agree parameters for 2025/26.
Mid to Late August	Director of Finance issues capital budget guidance to services
3 September	Report to Policy & Resources on timeline/approach for 2025/26 budget

Appendix C to Report 288/24

Mid Aug – Mid Sept	Directors/Budget Holders & Finance Service contacts prepare draft Provisional Base Revenue Budgets 2025/26.
23 September	Directors & Finance Service Contacts return 2025/26 Provisional Revenue Budget packs to Finance.
30 September	Directors and Finance Service contacts submit draft 2024/2029 Capital Plans and new priority project bids to Finance.
End of September	Corporate energy and property maintenance budgets to be returned to Corporate Support Team 2
Mid to late October	Budget Submission Review meetings to be undertaken with Service Directors and appropriate service budget holders, to discuss and validate revenue & capital budget packs submitted to Finance.
Early November	Revenue budget packs to CLT for review and comment
22 November	PBSG meet to review the Directorate's revenue & capital budget packs, council plan update & change programme progress.
Mid December	2025/26 Local Government Finance Settlement announcement anticipated following Scottish Government Budget announcement on 4 December 2024
19 December	Medium Term Budget Strategy (2025/26 to 2027/28) reported to Angus Council
2025	
16 January	PBSG meet to review and agree budget proposals (Revenue & Capital) following grant settlement and consideration on Council Tax intentions, etc
Mid January – Mid February	Officers provide support to any non-Administration members considering making budget proposals
Late January	PBSG meet to agree and finalise budget proposals (Revenue & Capital) and final consideration of Council Tax etc.
Mid February	Setting of Housing rents report to Communities Committee
Late February (tbc)	Special Meeting of Angus Council to approve Provisional Revenue & Capital Budgets, budget savings proposals and agree the level of 2025/26 Council Tax.
March - June	Finance co-ordinate the preparation of the Final Revenue Budget Volume (incorporating Provisional Capital Budget).
June / July	Final Capital Budget Volume (incorporating capital monitoring budgets for 2025/26) prepared, taking into account final actuals for 2024/25.