

## **Argyll & Bute Council Budget 2016-17 Proposal by the SNP Council Group**

Council notes the findings in the Planning our Future Consultation and thanks all those who contributed thus providing the Council with a list of options to choose from that have been the subject of public scrutiny and comment. This budget proposal has been informed and takes account of those expressed preferences as far as possible.

Council notes the report on Assessing Equality Impact.

Council notes the Revenue Budget monitoring position as at 31 December 2015.

Council notes the financial risks analysis as set out in the Revenue Budget pack

### REVENUE

The Council notes the forecasts and information provided in the budget pack and approves the revenue estimates for 2016-17 and that consequently the local tax requirement estimated at £41.0m is funded from Council Tax.

Further the Council:

#### Additional Funding from Scottish Government

Agrees to accept the following additional funding on offer from the Scottish Government:

£16.529m through the flooring mechanism.

£1.432 not to increase Council Tax rates

£0.385m (amount in 2015-16) of support for the Teachers Induction Scheme. (Allocations of £37.475m fund for 2016-17 still to be distributed).

£0.860m to maintain the pupil teacher ratio as agreed with the Scottish Government and additionally agrees to maintain overall FTE teaching posts in secondary schools.

Further the Council accepts the Scottish Government offer of Argyll & Bute's share of the £250m Integration Fund amounting to £4.58m and notes that this has allowed the Council to fund the £8.25 per hour Living Wage commitment to Care Workers.

#### Rates and Charges

Approves the following rates and charges for the year:

- i) Council Tax to be paid in respect of a chargeable dwelling in Band 'D' of £1,178 (representing no change).
- ii) Council Tax to be paid in respect of a chargeable dwelling in each of the other valuation bands in accordance with Section 74(1) of the Local Government Finance Act 1992 (accordingly representing no change).
- iii) Business Rates as determined by Scottish Ministers.

#### Forecast Overspend

Notes the forecast overspend for 2016 -17 of £10.052m.

#### Actions to address Forecast Overspend and Related Matters

- 1) Agrees the Management/Operational Savings as per Appendix 1 of the Revenue Budget Report thus reducing forecast overspend by £1.044m.
- 2) Agrees the general increase of 3% for Council set fees as detailed in the Fees and Charges Report thus reducing the forecast overspend by £0.305m.

- 3) Agrees that all policy options in Appendix 2 of the Revenue Budget which offer no savings in 2016-17 be referred to the Policy and Resources Committee for consideration and recommendation as to their possible contribution in future years.
- 4) Agrees the review of staffing structure within Strategic Finance reducing the forecast overspend by £0.140m.
- 5) Agrees to take forward the policy options for Community and Culture with the exception of:
  - (CC02a) No Reduction in adult learning and literacies service availability.
  - (CC03b) Maintain third sector grant funding
  - (CC03c) Continue current arrangements with Centre Councils
  - (CC06a) Maintain grant support to major events and festivals
  - (CC08b) Maintain funding for rent deposit scheme and service user involvement
  - (CC10c) Retain mobile library service
 Reducing the forecast overspend by £0.560m
- 6) Agrees to take forward the policy options for Education with the exception of:
  - (EDUC01d) Maintain specialist equipment budget
  - (EDUC02c) No increase in music tuition fees
  - (EDUC02d) No reduction in instrumental instructors
  - (EDUC03b) Maintain support to Council and providers of Early Learning and Childcare
  - (EDUC03c) Maintain annual increase to Early Learning and Child Care commissioned Providers
  - (EDUC03d) Maintain Early Years third sector grants and services
  - (EDUC05c) Maintain PE facilities budget
  - (EDUC05g) Retain subsidy to community swimming pools
  - (EDUC05h) Retain Attendance Officers
  - (EDUC07a & 08a) Maintain Classroom Assistants
  - (EDUC07b & 08b) Maintain Clerical Assistants
  - (EDUC07c) Maintain pupil support assistants in primary schools
  - (EDUC07h & 8i) Maintain individual school budgets)
  - (EDUC07k & 08k) Continue free lunches for lunchtime supervision staff
  - (EDUC08f) Retain secondary school librarian posts
  - (EDUC08g) Maintain schools technician budgets
  - (EDUC12a) No reduction to Educational Psychology services.
 Reducing forecast overspend by £1.053m
- 7) Instructs the Executive Director of Community Services to bring to the next Council meeting proposals to delegate education budgets (excluding NPDO budgets) to Area Committees a methodology to fairly and equitably allocate each Area Committee its share of the Education budget.
- 8) Agrees all the policy options for Customer and Support Services with the exception of:
  - (CSS02k) Maintain NDR relief for charitable bodies
 Reducing the forecast overspend by £0.426m.
- 9) Agrees all the policy options for Facility Services with the exception of:
  - (FS04g) Maintain Discretionary Community Grant Funding
 Reducing the forecast overspend by £0.236m.
- 10) Agrees all the policy options for Improvement and HR thus reducing the forecast overspend by £0.205m.
- 11) Agrees all the policy options for Economic Development thus reducing the forecast overspend by £0.056m.
- 12) Agrees all the policy options Planning and Regulatory Services with the exception of:
  - (PRS04f) Maintain direct funding of advice agencies.
 Reducing the forecast overspend by £0.236m
- 13) Agrees to reduce the Roads revenue budget by £0.500m noting that spending priorities are already delegated to each Area Committee and the existing allocation formula for this budget. Notes the additional capital budget provided results in a net increase in the overall roads budget of £1.000m. Reducing the forecast overspend by £0.500m.

- 14) Within Amenity Services agrees to accept revenue raising options RAMS01a, RAMS01b and RAMS 03a and options relating to centralised decisions RAMS02c, RAMS04c, RAMS04d, RAMS05a, RAMS05b and RAMS05e.  
Reducing the estimated overspend by £0.900m  
Agrees a further reduction of overall Amenity Services budget of £0.650m and that the decisions on spending priorities be delegated to each of the Area Committees.  
Reducing the forecast overspend by £1.550m.
- 15) Instructs the Executive Director of Development and Infrastructure to bring to the next Council meeting proposals to delegate Amenity Services budgets to Area Committees and a methodology to fairly and equitably allocate each Area Committee its share of the Amenity Services budget.
- 16) Agrees the Council's contribution to the Health and Care Partnership as detailed in Section 9 of the Revenue Budget Overview. Reducing forecast overspend by £1.741m.
- 17) Notes that Community Councils currently receive funding from the Council for administrative purposes and agrees that Community Councils be added to the list of organisations eligible to apply for Third Sector Grants for purposes other than administration and delegates the detail of how this will be implemented to the Executive Director of Community Services.

### Reserves and Balances

Notes the report on Reserves and Balances.

Approves the contingency level for General Fund Reserves at 1.5% of net expenditure of £239.176m equivalent to £3.588m.

Notes the estimated Unallocated General Fund Balance as at 31 March 2016 of £12.565m.

Adjustment to contingency (£3.588 - £3.551m) of £0.037m

Agrees to earmark in reserves:

Provision for residual overspend of £2.000m

Provision should delegation to Area Committees not be agreed of £0.650m

Estimated cost of Severance in 2016-17 of £2.051m

Broadband Pathfinder Cost Pressure of £0.580

Hermitage Park Underwriting of £0.268m

Potential Investment in HubCo of £0.506m

Notes the revised estimated free balance of £6.473m which is available to support this transformational budget and for delivering the outcomes of the Single Outcome Agreement.

### CAPITAL PLAN

Agrees the recommendations in Section 2 of the Introductory Report on Capital Planning and Asset Management Planning.